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TRANSCRIPT OF RECORD

Supreme Court of the United States

OCTOBER TERM, 1965

No. 42

SWITZERLAND CHEESE ASSOCIATION, INC., ET AL., PETITIONERS,

vs.

E. HORNE'S MARKET, INC.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIRST CIRCUIT

PETITION FOR CERTIORARI FILED DECEMBER 17, 1965
CERTIORARI GRANTED JANUARY 31, 1966

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1965

No. 831

SWITZERLAND CHEESE ASSOCIATION, INC., ET AL., PETITIONERS,

vs.

E. HORNE'S MARKET, INC.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIRST CIRCUIT

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APPENDIX TO BRIEF FOR APPELLANTS

IN THE UNITED STATES COURT OF APPEALS

FOR THE FIRST CIRCUIT

No. 6523

SWITZERLAND CHEESE ASSOCIATION, INC.,
SCHWEIZERISCHE KAESEUNION A.G., Appellants,

v.

E. HORNE'S MARKET INC., Appellee.

IN UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

LIST OF RELEVANT DOCKET ENTRIES

Date	Filings—Proceedings
1963	
Nov. 19	—Complaint filed. Summons issued.
1964	
Apr. 22	—Defendant's answer to complaint, filed.
May 14	—Plaintiffs' notice of taking depositions of President and Treasurer and Clerk of E. Horne's Market, Inc., on May 21, 1964 at 10:00 A. M., 79 Milk St., Boston, filed.
Sept. 1	—Request for Admissions Under Rule 36 of the Federal Rules of Civil Procedure, filed.
9	—Deft's response to request for admissions under Rule 36, filed.
Oct. 28	—Deposition of Melvin Green, filed.

[fol. 2]

1964

Dec. 23—Plaintiffs' motion for summary judgment and permanent injunction, filed with the following attachments: Plaintiffs' memorandum in support of the motion; Affidavit by Heinz Paul Hofer; Certificate by Dr. Fritz Bohnert; Affidavit by Harry B. Caplan and Affidavit by R. Frank Bennett.

1965

Jan. 27—Affidavit of Melvin Green in opposition to pltf's motion for summary judgment and permanent injunction, filed.

Feb. 1—Julian, J. Hearing on pltf's motion for summary judgment and for permanent injunction. Judgment of N. Y. Court, filed by pltf. Defendant to file an affidavit by Feb. 8, 1965 at 5:00 P. M. Advisement.

3—Second affidavit of Melvin Green in opposition to pltf's motion for summary judgment, filed.

15—Julian, J. Motion for summary judgment and permanent injunction denied, after hearing.

Mar. 3—Stenographic record of proceedings on Feb. 1, 1965, filed.

15—Pltf's notice of appeal filed. Cpy. to Harold E. Cole, Esq.

[fol. 3]

IN UNITED STATES DISTRICT COURT

Civil Action No. 63-956-J

COMPLAINT—Filed November 19, 1963

Switzerland Cheese Association, Inc. and Schweizerische Kaeseunion A.G., Plaintiffs herein, for their complaint against E. Horne's Market Inc. Defendant herein, allege:

I

This is an action for trademark infringement and unfair competition arising under the Trademark Laws of the United States. The jurisdiction of this court is founded on the provisions of Title 15 U. S. C. 1114(1), 1116, 1117, 1121, 1124 and 1125a. The acts of the Defendant which are hereinafter complained of have been and are being committed in the City of Boston, Massachusetts.

II

Plaintiff, Switzerland Cheese Association, Inc., is a corporation duly organized and existing under the laws of the State of New York and has a regular established place of business at 444 Madison Avenue, New York 22, New York.

III

Plaintiff, Schweizerische Kaeseunion A.G. is a corporation duly organized and existing by virtue of the laws of the Republic of Switzerland, and has a regular and established place of business in the city of Berne, in said State.

[fol. 4]

IV

Upon information and belief, the Defendant, E. Horne's Market Inc., is a corporation organized under the laws of the Commonwealth of Massachusetts and has a place of

business at 27-31 Faneuil Hall Market, Boston, Massachusetts.

V

On the following dates the following United States trademark registrations were duly and legally issued to Plaintiff, Switzerland Cheese Association, Inc. for its trademarks for use on cheese made in Switzerland, and as shown on the registration copies which are annexed hereto; and Plaintiff has been and still is the sole owner of said trademarks and trademark registrations.

Reg. No. 252,161	Jan. 29, 1929	Renewed 1/29/49
Reg. No. 266,078	Jan. 14, 1930	Renewed 1/14/50
Reg. No. 268,576	Mar. 18, 1930	Renewed 3/18/50
Reg. No. 303,388	May 23, 1933	Renewed 5/23/53
Reg. No. 745,911	Feb. 26, 1963	
Reg. No. 749,477	May 14, 1963	
Reg. No. 749,478	May 14, 1963	

VI

For many years there has been manufactured in the Republic of Switzerland a cheese made of cow's milk, fermented with rennet, which cheese has been produced in the form of large, round, flat loaves or wheels, with a hard crust and softer body, having a firm consistency, and being of a rich yellowish color, and distinguished by large holes created during the course of manufacture and cure, under the process developed in Switzerland.

[fol. 5]

VII

This Switzerland cheese has been generally and popularly known throughout the United States, for many years, as "Schweizer-Kase" and as "Swiss" cheese, and has for many years been imported into the United States solely from Switzerland.

VIII

By reason of the peculiar conditions existing in Switzerland, including particularly the water and the air, the "Swiss" cheese which is produced in that country is of a distinctive flavor, taste and quality, and has become well and favorably known as a high-grade product, among consumers of cheese in the United States, and elsewhere.

IX

Plaintiff Schweizerische Kaeseunion A.G., with the approval of the Government of Switzerland, has for many years past exercised and still now exercises complete control of the manufacture and sale in and the distribution from Switzerland of the aforementioned cheese product of that country. Plaintiff Switzerland Cheese Association, Inc. is a wholly owned subsidiary of Plaintiff Schweizerische Kaeseunion A.G. and is authorized to control the distribution in the United States of the cheese exported from Switzerland and which in this country has come to be known as "Swiss" cheese.

X

Plaintiff Switzerland Cheese Association, Inc. has heretofore maintained and is now maintaining continuous and active control and supervision of the marketing in the United States of the cheese exported to this country from Switzerland, under authorization from its parent company [fol. 6] Schweizerische Kaeseunion A.G. to control the distribution of the "Swiss" cheese. Plaintiff Switzerland Cheese Association, Inc. pursuant to its aforesaid authorization, has sole authority to license and does license the sale and distribution in interstate commerce of the cheese exported to the United States from Switzerland. Plaintiff Switzerland Cheese Association, Inc. further licenses the cutting up into slices and repacking in packages of "Swiss" cheese bearing one or more trademarks of Plaintiff Switzerland Cheese Association, Inc.

XI

Plaintiffs have for many years past selected and are now still selecting from the Switzerland manufacture for export to the United States only the cheeses which are of the highest quality, and which are suited to the particular taste of United States consumers. More particularly, in the exercise of their aforesaid control and supervision of the distribution and sale in the United States of the cheeses from Switzerland Plaintiffs have selected for marketing in the United States only those cheeses which meet the highest possible standards of quality, and which satisfy the consumer preference of the most discriminating United States purchasers, in respect to taste, color, texture, age, hole content, smell and otherwise.

XII

Plaintiffs, through great care and effort in their controlling and directing of the importing and distribution of the Switzerland cheese product, have maintained and enhanced the name and reputation in the United States of the "Swiss" cheese which has been imported from Switzerland as being of distinctive and superior quality and taste.

[fol. 7]

XIII

Plaintiffs have expended much time and money in maintaining and building up the good will associated with the aforesaid "Swiss" cheese, and Plaintiffs' imported cheese product continues to be highly prized in the United States, and to enjoy a preference in the market place in that United States consumers are willing to pay substantially more for the product of Switzerland which they know as "Swiss" cheese than for cheese of other manufacture.

XIV

Upon information and belief, after the aforesaid "Swiss" cheese had become favorably known and esteemed

and had come into demand by the buying public in the United States, a cheese was made in the United States and in other countries, including particularly Finland, Denmark and Austria, by a process imitative of that used in Switzerland for the manufacture of the Plaintiffs' "Swiss" cheese, which non-Switzerland made cheese was, on occasions, sold to the consuming public in the United States under the false representation that it was the "Swiss" cheese, at a price considerably cheaper than that of the true "Swiss" cheese, as actually manufactured in and exported to the United States from Switzerland.

XV

Upon information and belief, the cheese so manufactured in the United States and such other European countries outside of Switzerland, but under a process imitative of that employed in Switzerland, was likewise manufactured in loaves or wheels of the same kind, shape, thickness and appearance as the loaves or wheels in which the cheese produced in Switzerland had theretofore been manufactured.

[fol. 8]

XVI

Upon information and belief, both the genuine "Swiss" cheese as manufactured originally and only in Switzerland, and the aforesaid imitations thereof as subsequently produced elsewhere, were, for a time, sold without distinctive markings or designs, so that the consumers thereof in the United States became confused as to the place of origin of the cheese offered to them in retail stores, under the name and style of "Swiss" cheese, and frequently were misled into buying the imitation "Swiss" cheese, manufactured as aforesaid, in the belief that they were buying the cheese manufactured in and imported from Switzerland, which they actually intended to purchase.

XVII

Upon information and belief, various retailers, in order to enlighten the public, and to prevent them from purchasing such imitation and so-called "Swiss" cheese, under the misapprehension that they were purchasing the genuine "Swiss" cheese actually manufactured in Switzerland, have referred to and designated the cheese manufactured in and exported from Switzerland as "Genuine Swiss" and as "Imported Swiss" cheese, and also as "Genuine Imported Swiss Cheese," and have offered and sold cheese manufactured in the United States under a process imitative of the Swiss process as "Domestic Swiss" or "American Swiss", and the cheese similarly manufactured in other countries, as "Finnish Swiss" or "Danish Swiss"; and that, by such acts on the part of such vendors, the public has been, to some extent, apprised of the fact that so-called "Swiss Cheese" was being sold in the United States, which was manufactured in countries other than Switzerland, and was not of the same cost nor of the same quality as the cheese imported from Switzerland, as aforesaid, which latter cheese was preferred by persons familiar with the [fol. 9] taste and quality thereof, from previous experience and consumption thereof.

XVIII

Upon information and belief, the cheese made in the United States and other countries other than Switzerland, in imitation of the true "Swiss" cheese, has not acquired any reputation for quality or taste, but, on the contrary, was and is in fact and by reputation, inferior in quality, cost and value; and the fact that it was and is imported from such other country or countries is not a fact which would be an inducement to purchasers, or have advertising value in causing them to purchase the same.

XIX

Upon information and belief, Defendant has sold inferior cheese imitative of the genuine "Swiss" product, but which is imported from other countries than Switzerland, or is made domestically, and has not labelled its "Swiss" imitating cheese by country of non-Swiss origin, but rather has intended and contrived to mislead and deceive purchasers into believing that they were purchasing from Defendant the genuine "Swiss" cheese but at a price less than that asked by other retailers for the true "Swiss" cheese imported only from Switzerland.

XX

Upon information and belief, Defendant has in the past undertaken to, and is continuing now to, use on or in connection with its cheese goods, or containers therefor, or tags or labels or displays associated therewith, a false designation of origin and/or a false description or representation, including words tending falsely to describe or represent the same, in that Defendant has sold and/or is selling or advertising for sale as genuine "Swiss" cheese a product which is neither imported to this country from [fol. 10] Switzerland, nor of the quality approved by Plaintiffs for export to the United States, nor imported to the United States under the authority of Plaintiffs; and Defendant has with knowledge of the falsity of such designation of origin or description or representation caused or procured the same to be transported or used in commerce, or has delivered the same to a carrier to be so transported or used, all to the damage and detriment of Plaintiffs, and all in clear violation of Section 43 of the Trademark Law.

XXI

Upon information and belief Defendant has sold or offered for sale as imported "Swiss" cheese a cheese product which is not in fact the genuine cheese product manu-

factured in and exported to this country from Switzerland, but which is a product of a quality and taste demonstrably and greatly inferior to the true "Swiss" cheese; Defendant has thereby made false representations of origin calculated to deceive purchasers, and to cause irreparable harm and injury to Plaintiffs through destroying or damaging the reputation of Plaintiffs' "Swiss" cheese as cheese of unvarying superior condition, quality, and taste.

XXII

Upon information and belief, Defendant has sold or offered or advertised for sale cheese other than and greatly inferior to the genuine "Swiss" cheese, but under a name, style or designation which is a colorable imitation of one or more of plaintiff Switzerland Cheese Association's trademarks, or which so resembles one or more of Plaintiff's trademarks as to be likely to cause confusion or mistake or to deceive purchasers, or which is identified with Plaintiff's trademarks so as to cause or to be likely to [fol. 11] cause dilution or disparagement of the good will associated with Plaintiff's trademarks.

Wherefore, Plaintiffs Demand:

(a) That Defendant be preliminarily enjoined and restrained during the pendency of this action and permanently from the unlawful acts which are herein complained of.

(b) That Defendant E. Horne's Market Inc. be permanently enjoined and restrained from advertising, circularizing, selling or offering for sale any cheese, and using in connection therewith the words "genuine" or "genuine imported" in connection or juxtaposition with the words "Swiss" or "Switzerland", or any other variation or modification thereof similar to that used, advertised or hitherto employed by Defendant herein as may tend to

deceive purchasers, unless the product so offered by the Defendant is the product manufactured in Switzerland and imported to the United States by the Plaintiffs, or from using in connection with the words Swiss cheese the word "imported" where the cheese so offered is not in fact imported from Switzerland, unless the name of the country from which the same is actually imported is used in words or letters with equal prominence therewith.

(c) That Defendant be required to account to Plaintiffs for all profits gained by it and all damages sustained by Plaintiffs on account of Defendant's acts of trademark infringement and unfair competition as aforesaid.

(d) An assessment of costs of this action and reasonable attorneys' fees and judgment therefor against said Defendant.

[fol. 12] (e) That Plaintiffs have such other and further relief as to this Honorable Court may seem just and proper.

Dated: November 19, 1963

Switzerland Cheese Association, Inc., Schweizerische Kaeseunion A.G., By Robert A. Townsend, Blair and Buckles, 79 Milk Street, Boston 9, Massachusetts, Telephone: HUbbard 2-5161, Attorneys for Plaintiffs.

Of Counsel for Plaintiffs: John J. McGlew, Moses, McGlew and Toren, 28 West 44th Street, New York 36, New York.

[fol. 13] IN UNITED STATES DISTRICT COURT

TRADEMARK REGISTRATIONS ISSUED TO PLAINTIFF, SWITZERLAND CHEESE ASSOCIATION, INC., ANNEXED TO COMPLAINT

Registered Jan. 29, 1929. **Trade-Mark 252,161**

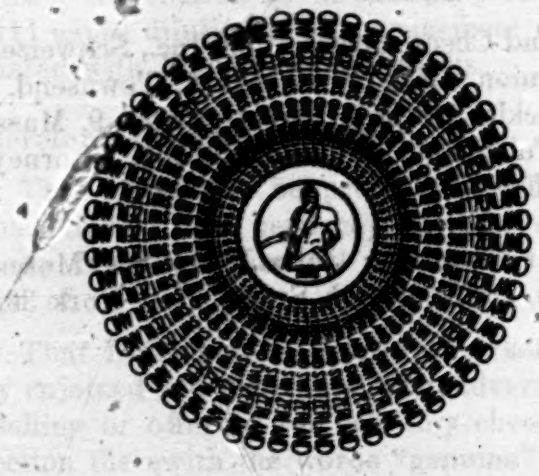
Renewed Jan. 29, 1949, to Switzerland Cheese Association, Inc., New York, N. Y.

UNITED STATES PATENT OFFICE.

FRED HAEBERLI, OF NEW YORK, N. Y.

ACT OF FEBRUARY 20, 1905.

Application filed April 19, 1928. Serial No. 265,103.



STATEMENT.

To all whom it may concern:

Be it known that I, Fred Haeberli, a citizen of Switzerland, residing in New York city, New York, located and doing business at No. 105 Hudson Street, in said city, has adopted and used the trade-mark shown in the accompanying drawing, no claim being made to the geographical word "Switzerland" and the descriptive word "Cheese", apart from the mark as shown.

This trade mark has been continuously used in my business since March 14th, 1928.

The merchandise to which this trade mark is appropriated is comprised in Class 46, Foods and ingredients of foods; and the particular description of goods in such class upon which the said trade mark is used is CHEESE MADE IN SWITZERLAND.

The trade mark is usually displayed by its printing same directly upon the goods, although it may be otherwise displayed as desired.

FRED HAEBERLI.

[fol. 14]

Registered Jan. 14, 1930 **Trade-Mark 266,078**

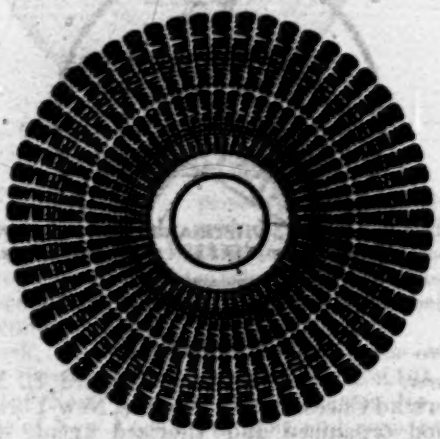
Renewed, January 14, 1950 to Switzerland Cheese Association, Inc., of New York, N. Y.

UNITED STATES PATENT OFFICE

SWITZERLAND CHEESE ASSOCIATION INC., OF NEW YORK, N. Y.

ACT OF FEBRUARY 20, 1905

Application filed August 1, 1929. Serial No. 297,502.



STATEMENT

To all whom it may concern:

Be it known that Switzerland Cheese Association Inc., a corporation organized and existing under the laws of the State of New York, located in the city of New York, county of New York, State of New York, and doing business at 105 Hudson Street, in the city of New York, county of New York and State of New York, aforesaid, has adopted and used the trade-mark shown in the accompanying drawing, for CHEESE MADE IN SWITZERLAND, in Class No. 46, Foods and ingredients of foods.

The trade-mark has been continuously used and applied to said goods in the business of said corporation since June 7, 1929.

Without relinquishing or forfeiting any of its common law trade mark rights and solely for the purpose of registration in the United States Patent Office, applicant disclaims the right to the exclusive use of the word Switzerland except in the general arrangement and style as shown in the drawing. The trade-mark is applied to the goods by being impressed directly thereon.

Applicant is the owner of trade mark registration No. 262,161 dated January 28, 1930.

SWITZERLAND CHEESE ASSOCIATION INC.,
By FRED EMMERICH,
Secretary and Treasurer.

Registered Mar. 18, 1930 **Trade-Mark 268,576**

Renewed Mar. 18, 1950, to Switzerland Cheese Association, Inc., New York, N. Y.

UNITED STATES PATENT OFFICE

SWITZERLAND CHEESE ASSOCIATION, INC., OF NEW YORK, N. Y.

ACT OF FEBRUARY 20, 1905

Application filed November 7, 1929. Serial No. 292,130.

STATEMENT

To all whom it may concern:

Be it known that Switzerland Cheese Association, Inc., a corporation organized and existing under the laws of the State of New York, located in the city of New York, county of New York, State of New York, and doing business at 105 Hudson Street, in the city of New York, county of New York, and State of New York, aforesaid, has adopted and used the trade-mark shown in the accompanying drawing, for CHEESE MADE IN SWITZERLAND, in Class No. 46, Foods and ingredients of foods.

The trade-mark has been continuously used and applied to said goods in the business of said corporation since June 7, 1929.

Applicant is the owner of trade-mark registration No. 252,161, dated January 29, 1929.

The trade-mark is applied to the goods by being impressed directly thereon.

The undersigned hereby appoints Richards & Geier, (a firm composed of Oscar A. Geier and Edward L. Mueller), of 274 Madison Avenue, New York, N. Y., and their duly authorized agent, its attorneys to prosecute this application, to make alterations and amendments therein, to enter opposition in its name against the registration of the same or in any similar trade-mark in favor of other applicants, to reply to any opposition which may be against the registration of this trade-mark, to transact all business in the Patent Office connected with this application and the certificate to be granted thereupon, to sign its name to the drawing and to receive the certificate of registration when issued.

The words "Switzerland Cheese," and the representation of a piece of cheese, are disclaimed apart from the mark as shown in the drawing.

SWITZERLAND CHEESE ASSOCIATION, INC.,
By FRED HAUSERLI,
Secretary and Treasurer.

Registered May 23, 1933 **Trade-Mark 303,388**

Renewed May 23, 1953, to Switzerland Cheese Association, Inc., of New York, N. Y., a corporation of New York.

UNITED STATES PATENT OFFICE

SWITZERLAND CHEESE ASSOCIATION INC., OF NEW YORK, N. Y.

ACT OF FEBRUARY 20, 1905

Application filed September 1, 1932. Serial No. 330,082.

STATEMENT

To all whom it may concern:

Be it known that Switzerland Cheese Association Inc., a corporation duly organized and existing under the laws of the State of New York, located in the borough of Manhattan, city of New York, county of New York and State of New York, and doing business at No. 105 Hudson Street, in the borough of Manhattan, city of New York, county of New York and State of New York, aforesaid, has adopted and used the trade-mark shown in the accompanying drawing, for CHEESE MADE IN SWITZERLAND, in Class No. 46, Foods and ingredients of foods.

The trade-mark consisting of the word "Switzerland", has been continuously used and applied to said goods in the business of said corporation since June 7, 1929, while the trade-mark in the present arrangement has been continuously used and applied to the goods in the business of said corporation since August 8, 1932.

Without relinquishing or forfeiting any of its common law trade-mark rights and solely for the purpose of registration in the United States Patent Office, applicant disclaims the right to the exclusive use of the word "Switzerland" except in the general arrangement and style as shown in the drawing. The expressions "Made in Switzerland" and "Switzerland Cheese", and the representation of the cheese are also disclaimed apart from the mark as shown. The trade-mark is applied to the goods by being impressed directly thereon.

Applicant is the owner of trade-mark registration No. 252,161 dated January 29, 1929, and registration No. 266,078 dated January 14, 1930, and registration No. 268,576, dated March 18, 1930.

The undersigned hereby appoints Oscar A. Geier of 274 Madison Avenue, New York, N. Y., and his duly authorized agent, its attorneys, to prosecute this application, to make alterations and amendments therein, to enter opposition in its name against the registration of the same or any similar trade-mark in favor of other applicants, to reply to any opposition which may be made against the registration of this trade-mark, to transact all business in the Patent Office connected with this application and the certificate to be granted thereupon, to sign its name to the drawing and to receive the certificate of registration when issued.

SWITZERLAND CHEESE ASSOCIATION INC.,
By FRED HAEBERLI,
Secretary and Treasurer.

16

[fol. 17]

United States Patent Office

745,911
Registered Feb. 26, 1963

PRINCIPAL REGISTER
Trademark

Ser. No. 113,869, filed Feb. 16, 1961

Switzerland Cheese Association, Inc. (New York corporation)
444 Madison Ave.
New York 22, N.Y.

For: CHEESE MADE IN SWITZERLAND, in CLASS 46.

First use Nov. 1, 1960; in commerce Nov. 1, 1960.

Without relinquishing or forfeiting any of its common law trademark rights and solely for the purpose of registration in the United States Patent Office, applicant disclaims the term "Switzerland" apart from the mark as shown.

Owner of Reg. Nos. 252,161, 303,388, and others.

[fol. 18]

United States Patent Office

749,477
Registered May 14, 1963

PRINCIPAL REGISTER
Trademark

Ser. No. 107,387, filed Oct. 28, 1960

Switzerland Cheese Association, Inc. (New York corporation)
444 Madison Ave.
New York 22, N.Y.

For: CHEESE MADE IN SWITZERLAND, in CLASS 46.

First use Sept. 1, 1960; in commerce Sept. 1, 1960.

Applicant disclaims the expression "Made in Switzerland" and the single word "Switzerland" apart from the mark as shown, and also disclaims the representation of the cheese apart from the mark as shown.

Owner of Reg. Nos. 252,161, 303,388 and others.

United States Patent Office

749,478

Registered May 14, 1963

PRINCIPAL REGISTER
Trademark

Ser. No. 107,801, filed Nov. 3, 1960

Switzerland Cheese Association, Inc. (New York corporation)
444 Madison Ave.
New York 22, N.Y.

For: CHEESE, in CLASS 46.

First use Sept. 1, 1960; in commerce Sept. 1, 1960.

Without relinquishing or forfeiting any of its common law trademark rights and solely for the purpose of registration in the United States Patent Office, applicant disclaims the term "Made in Switzerland" apart from the mark as shown.

Owner of Reg. Nos. 252,161, 303,388, and others.

[fol. 20]

IN UNITED STATES DISTRICT COURT

DEFENDANT'S ANSWER TO THE COMPLAINT—
Filed April 22, 1964

And the defendant answers the complaint as follows:

1. Defendant denies the allegations in paragraph no. I.

2. Defendant is without knowledge as to the allegations in paragraphs no. II and III, hence denies the same.

3. Defendant admits the allegations in paragraph IV.

4. Defendant admits that trademark registrations listed in paragraph V were issued by the Patent Office; but is without knowledge as to the owners thereof, hence denies the allegations in paragraph V except as to the aforesaid issuance of said registrations.

5. Defendant denies the allegations in paragraphs VI to XVIII inclusive.

6. Defendant denies the allegations in paragraph XIX.

7. Defendant denies the allegations in paragraph XX.

8. Defendant denies the allegations in paragraph XXI.

9. Defendant denies the allegations in paragraph XXII.

10. And as to any other allegations in said Complaint not expressly denied or admitted, defendant denies them.

E. Horne's Market Inc., Defendant, By Harold E. Cole, Attorney for Defendant, 101 Tremont St., Boston 8, Mass.

[fol. 21]

IN UNITED STATES DISTRICT COURT

PLAINTIFFS' REQUEST FOR ADMISSION OF FACTS 1, 2, 4, 5, 7, 8, 12 AND 13, AND DEFENDANT'S RESPONSE THERETO

Fact 1. Prior to the commencement of Civil Action No. 63-956-J, the Defendant sold in Boston, Massachusetts, Swiss cheese made in Finland and/or Austria under the designation "Imported Swiss Cheese".

Response: Admitted.

Fact 2. Prior to the commencement of Civil Action No. 63-956-J, the Defendant sold in Boston, Massachusetts, Swiss cheese made in Finland and/or Austria and displayed said Swiss cheese at Defendant's stalls in Faneuil Hall Market, Boston, by placing a sign or sticker on said Swiss cheese reading "Imported Swiss Cheese".

Response: Admitted.

• • • • • • •

Fact 4. The Swiss cheese made in Austria and sold by the Defendant does not bear any markings on the rind.

Response: Admitted.

Fact 5. The Defendant is in the habit of ordering imported Swiss cheese from its suppliers by specifying the country of origin of the Swiss cheese.

Response: Admitted.

• • • • • • •

Fact 7. Prior to the commencement of Civil Action No. 63-956-J, the Defendant sold in Boston, Massachusetts, Swiss cheese originating from Finland and/or Austria as "Imported Swiss Cheese" without specifying that said Swiss cheese originated in Finland and/or Austria.

Response: Admitted.

[fol. 22] Fact 8. Prior to the commencement of Civil Action No. 63-956-J, the Defendant sold in Boston, Massachusetts, Swiss cheese originating from Finland and/or Austria and displayed such Swiss cheese at Defendant's stalls in Faneuil Hall Market, Boston, by placing a sign or sticker on said Swiss cheese bearing the sole legend "Imported Swiss Cheese" and without indicating that said Swiss cheese originated from Finland or Austria.

Response: Admitted.

* * * * * * *

Fact 12. Switzerland Swiss Cheese is more expensive than Swiss cheese made in Austria.

Response: Admitted.

Fact 13. Switzerland Swiss Cheese is more expensive than Swiss cheese made in Finland.

Response: Admitted.

* * * * * * *

[fol. 23]

IN UNITED STATES DISTRICT COURT

EXCERPTS FROM DEPOSITION OF MELVIN GREEN—
June 17, 1964

Direct examination.

By Mr. Toren:

Q. Mr. Witness, for the record, will you please state your full name?

A. Melvin Green.

Q. And your address?

A. 110 Noanett Road, Needham Heights, Massachusetts.

* * * * * * *

Mr. Witness, what is your position in the defendant corporation?

A. Well, I am the treasurer of the corporation and I manage their business.

• • • • • • •

Q. And how long has the corporation been in business?

A. About five years.

Q. And you have been associated with the corporation from the beginning?

A. Right.

Q. And you have held the same position from the very beginning?

A. Right.

Q. Are you familiar with the business activities of the corporation?

A. Yes.

• • • • • • •

Q. Mr. Green, you mentioned that the products you are selling are meat products. Do you sell any dairy products?

A. Yes.

Q. What kind of dairy products do you sell?

A. We have a small line of cheeses.

Q. Any other dairy products?

A. Well, we sell butter. And oleomargarine, if that can be considered a dairy product.

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[fol. 24] Q. You mentioned previously that you are selling cheese products. Do you sell Swiss Cheese at the stall in the market?

A. Yes.

Q. Now, you also mentioned the number of suppliers for your cheese products. Do these suppliers also supply you with Swiss Cheese?

A. Yes.

Q. When you order Swiss Cheese from these suppliers, how do you order it? How do you indicate the nature of the product?

A. What do you mean by that?

Q. Do you write to them or telephone them and say I would like "X" pounds of Swiss Cheese, or do you identify the cheese more particularly?

A. Well, if I order cheese, I usually specify the type of cheese that I want, yes.

Q. Now, with regards to Swiss Cheese, how do you identify the Swiss Cheese?

A. Well, if I want domestic Swiss Cheese, I ask for domestic Swiss Cheese. If I wanted an imported Swiss Cheese, I ask for an imported Swiss Cheese.

Q. Is there a difference between domestic and imported Swiss Cheese?

A. Are you asking my opinion?

Q. Yes.

A. There is a difference in price, yes.

Q. Which one is more expensive?

A. Usually the imported Swiss Cheese is more expensive.

Q. Where does the imported Swiss Cheese come from?

A. I have purchased imported Swiss Cheese from Finland, I believe, and from Austria. That was originated in Finland and Austria.

Q. When you ordered this cheese from this supplier, do you tell him to send you Finnish, as you just said, or Austrian Swiss Cheese, or do you tell him to send you imported Swiss Cheese?

A. I either specify Finland or Austria.

Q. That is, you ask him for the name of the country where that cheese supposedly originates?

A. Yes, I believe I do that.

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[fol. 25] Q. When you receive this cheese from your supplier, what do you do with it?

A. Well, we normally store what we don't want to display in a refrigerated cooler, and we place several loaves of the cheese we do want to display on our display stand.

Q. Do you add any marking or identification to the cheese?

A. We had in the past put a sign on the cheese.
Q. What kind of sign?
A. A sign which said imported Swiss Cheese.

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Q. In your mind, is there a distinction between the Switzerland Swiss Cheese and the Austrian Swiss Cheese?
A. Absolutely, there is a distinction in price.
Q. Any other distinction?
A. In quality, my personal opinion, the Swiss Cheese that we have handled, that came from either Finland or Austria, was of equal quality. That is my personal opinion as far as flavor and taste, and consistency and appearance. I have been offered Switzerland Swiss Cheese from other brokers, but I felt that this other cheese which I am selling at a slightly lower cost is of better value to my customers.
Q. Did you say of higher cost?
A. This cheese which I am selling of slightly lower cost is of better value to my customers.

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[fol. 26]

IN UNITED STATES DISTRICT COURT

PLAINTIFFS' MOTION FOR SUMMARY JUDGMENT AND PERMANENT INJUNCTION, AND ATTACHMENTS—
Filed December 23, 1964

Upon the affidavits and certificate annexed hereto, plaintiffs move the Court for summary judgment herein, granting a permanent injunction enjoining the defendant, E. Horne's Market Inc., its agents, servants, employees, and attorneys, and all persons in active concert and participation with them, from selling, offering for sale, advertising or promoting, either directly or indirectly, as "Imported Swiss Cheese", any Swiss-type cheese other than Swiss cheese made in Switzerland and selected and approved by plaintiffs for export to the United States, unless the name

of the country from which the cheese has been imported is used in words or letters of equal prominence therewith.

Plaintiffs further move for awarding damages and reasonable attorneys' fees.

Wolf, Greenfield & Hieken, Attorneys for the Plaintiffs, By: George L. Greenfield, A Member of the Firm.

Of Counsel for the Plaintiffs:

John J. McGlew, David Toren, Moses, McGlew and Toren, 28 West 44th Street, New York 36, New York.

[fol. 27]

IN UNITED STATES DISTRICT COURT

AFFIDAVIT BY HEINZ PAUL HOFER IN SUPPORT OF PLAINTIFFS' MOTION FOR SUMMARY JUDGMENT AND PERMANENT INJUNCTION

Heinz Paul Hofer, being duly sworn, deposes and says on personal knowledge:

1. I am the president of Switzerland Cheese Association, Inc., one of the plaintiffs in this action.

2. I am fully familiar with the activities of plaintiff Switzerland Cheese Association, Inc. and plaintiff Schweizerische Kaeseunion A.G.

3. Plaintiff Schweizerische Kaeseunion A.G. is a Swiss enterprise which has been established by command and direction of the Federal Government of the Republic of Switzerland for the purpose *inter alia* of planning and controlling the production and supervising the marketing and exportation of Swiss cheese made in Switzerland. The establishment of plaintiff Schweizerische Kaeseunion A.G. has been ordered by the Swiss government in the form of several laws, the most recent being

"Beschluss der Bundesversammlung betreffend die Ergaenzung des Beschlusses der Bundesversammlung ueber Milch, Milchprodukte und Speisefette (vom 27. Juni 1957), IV. Kaesemarktordnung, Art. 12-14b. and

Bundesbeschluss ueber zusaetzliche wirtschaftliche und finanzielle Massnahmen auf dem Gebiete der Milchwirtschaft (Milchwirtschaftsbeschluss 1962) vom 4. Oktober 1962), Art. 1-16."

Resolution of the Federal Parliament concerning the supplementation of the resolution of the Federal Parliament in respect to milk, milk products and edible [fol. 28] fats (of June 27, 1957), IV Cheese Marketing Law, Articles 12 through 14b. and

Resolution of the Federal Government concerning additional economical and financial measures in the field of the milk industry (Milk Industry Resolution of 1962) (of October 4, 1962), Articles 1 through 16.

Article 12 of the first mentioned resolution reads in translation as follows:

"The Central Association of Swiss Milk Producers, the Association of Swiss Milk Purchasers and the Association of Swiss Cheese Exporters, as well as the firms of the cheese wholesale trade should take all suitable measures:

a. For advaneing the quality of the cheese;

b. To secure an orderly supply of the country with cheese and to maintain and to increase the marketing of the cheese both within and outside the country at prices which, if possible, assure the utilization of the cheese pursuant to the basic milk price as determined by the Federal Government (Art. 4).

c. To advance the production and the marketing of the specialties of the Alpine economy.

With a view to fulfilling the tasks which have been allotted by paragraph 1, hereinabove, the associations and firms referred to must create a suitable cheese marketing regulation and must create within this framework a joint organization for the cheese wholesale trade (in the following referred to as 'Joint Organization'; presently Schweizerische Kaeseunion A.G./Schweizerische Kaesekonvention) while observing the conditions which are set in the following articles. The associations referred to are hereby empowered to impose upon their sections corresponding obligations for the purpose of fulfilling these tasks."

[fol. 29] 4. In compliance with the Swiss law as referred to above, plaintiff Schweizerische Kaeseunion A.G. is owned by the Central Association of Swiss Milk Producers, the Association of Swiss Milk Purchasers, and all cheese exporters in Switzerland.

5. Plaintiff Schweizerische Kaeseunion A.G., in accordance with the authorization granted to it by the Swiss government, completely and fully controls and supervises the production and marketing of Swiss cheese made in Switzerland as well as the exportation of such cheese to the countries of the world including the United States.

6. Plaintiff Switzerland Cheese Association, Inc. is a wholly owned subsidiary of, and has been established in 1928 by, Plaintiff Schweizerische Kaeseunion A.G. for the purpose of controlling and supervising the importation and marketing of Switzerland Swiss cheese in the United States. Since 1928, Plaintiff Switzerland Cheese Association, Inc., in conjunction with the parent company, Schweizerische Kaeseunion A.G., has in fact effectively controlled and supervised the marketing of the cheese made in Switzerland and imported into the United States.

7. The cheese which is made in Switzerland, and has been made in Switzerland for many centuries, is well and favorably known throughout the world and has found con-

siderable market acceptance in the United States where such cheese has been sold for many decades. Like Swiss watches, Swiss made Swiss cheese identifies and symbolizes the skill and industry of the people of Switzerland.

8. The cheese which is imported from Switzerland is marketed in this country as "Switzerland Swiss Cheese", "Genuine Swiss Cheese" and "Imported Swiss Cheese".

[fol. 30] 9. Plaintiff Switzerland Cheese Association, Inc. has registered in the United States Patent Office numerous trademarks under Registrations Nos. 252,161; 266,078; 268,576; 303,388; 745,911; 749,477; and 749,478, each of which includes the word "Switzerland".

10. The designation "Imported Swiss Cheese" is a trade name and commercial name owned by the plaintiffs and used exclusively by the plaintiffs and their licensees in marketing the cheese made in Switzerland in the United States and other countries. According to the laws of Switzerland and the regulations and rules of plaintiff Schweizerische Kaeseunion A.G., the trade name "Imported Swiss Cheese" cannot be used without the authorization of plaintiffs.

11. Due to the strict control and supervision exercised by plaintiff Schweizerische Kaeseunion A.G., no Switzerland Swiss cheese reaches the market in Switzerland unless it is approved by plaintiff Schweizerische Kaeseunion A.G., and no Swiss cheese made in Switzerland is allowed to reach the United States market unless the cheese has previously been inspected and approved by plaintiffs.

12. Plaintiffs, through their great care and effort in controlling and directing the importation and distribution of the Switzerland cheese product, have maintained and enhanced the name and reputation in the United States of Swiss cheese and, due to the superiority of Switzerland Swiss cheese in regard to its quality and taste, Switzerland Swiss cheese enjoys preference in the market place in the United States as compared to Swiss type cheeses made in other countries.

13. The preference in the market place, as referred to in the preceding paragraph, is demonstrated by the fact [fol. 31] that the consuming public is willing to pay substantially more, and in fact does pay more, for the product of Switzerland, which they know as "Imported Swiss Cheese" or "Genuine Swiss Cheese" than for Swiss type cheese of other manufacture.

14. Switzerland is a party to the "International Convention for the Production of Industrial Property of 1833" with all its revisions.

Heinz Paul Hofer.

IN UNITED STATES DISTRICT COURT

CERTIFICATE OF FRITZ BOHNERT, CONSUL

(Letterhead of)

CONSULATE GENERAL OF SWITZERLAND

NEW YORK

Ref.: 0.51.41 ... FB: FT

I, Fritz Bohnert, Consul, in charge of the Legal Department of the Consulate General of Switzerland in New York, and an attorney-at-law of Bern, Switzerland, herewith certify

That the Schweizerische Kaseunion AG. is a Swiss stock corporation created in order to comply with Article 12 of the Swiss Federal Decrees of September 29, 1953 and June 27, 1957.

That according to the aforesaid provision, the Schweizerische Kaseunion AG. had to be founded as a nation-wide organization for the Swiss cheese market with the legal obligation to fulfill the aims set forth in the above-[fol. 32] mentioned public law, among which are the furthering of the quality of the cheese, the assuring of a sufficient supply for the Swiss market and the maintaining and in-

creasing of the sale of Swiss cheese in Switzerland as well as abroad and this possibly at prices that assure the producers the processing of their milk at milk prices fixed by the Government.

That as Switzerland is a member of the Convention of Paris for the Protection of Industrial Property as revised at Lisbon according to the Federal Decree of December 7, 1961, published in the Official Gazette, 1963, page 121, and as the United States is also a member, the provisions of the said Convention apply to the operations of the said Schweizerische Kaseunion AG. dealings in the United States through the Switzerland Cheese Association, Inc., 444 Madison Avenue, New York, New York.

Fritz Bohnert, Consul.

New York, New York, December 17, 1964.

[fol. 33]

IN UNITED STATES DISTRICT COURT

AFFIDAVIT OF HARRY B. CAPLAN

I, Harry B. Caplan, being duly sworn, depose and say:

That I am the owner of Sam-O-Sons Markets, a corporation having a place of business at 250 Canal St., Lawrence, Mass.; and

That I have been associated with the marketing and sale of cheese, including Swiss-type cheese, for over 11 years and I am fully familiar with the trade practices in respect to the labeling and designation of such cheeses; and

That in all of my years in this business it has been the custom and practice to clearly differentiate between all of the types of Swiss cheese; and

That it has been the general practice of the trade to clearly designate all Swiss cheese which originates from Switzerland as being genuine or imported Swiss cheese; and

That cheese of a Swiss type which is manufactured either in the United States or countries other than Switzerland is always referred to by the country of origin; and

That Swiss-type cheese originating from Switzerland has always been of the highest quality and has been sold at a higher price than cheeses from other countries; and

That I have no connection with Switzerland Cheese Association, Inc. or Schweizerische Kaeseunion A.G. and have not been paid for furnishing this affidavit.

Harry B. Caplan.

[fol. 34]

IN UNITED STATES DISTRICT COURT

AFFIDAVIT OF R. FRANK BENNETT

I, R. Frank Bennett, being duly sworn, depose and say:

1. I am General Manager of Radio Foods.

2. I have been associated with the merchandising of cheese, including Swiss-type cheese, since 1953 and I am well familiar with the trade practices which prevail in connection with the marketing and sale of Swiss-type cheese.

3. In addition to the genuine Switzerland Swiss cheese, imported from Switzerland under the supervision of the Switzerland Cheese Association, Inc., there are presently available Swiss-type cheeses in the United States which are manufactured in the United States or in some European countries such as Finland, Austria and Germany. The Swiss-type cheeses emanating from different countries have different quality and taste and the price of such cheeses is also different. The genuine Switzerland Swiss cheese is considerably higher priced than other Swiss-type cheeses and such genuine Switzerland Swiss cheese enjoys a consumer preference in spite of its higher price.

4. In order to avoid confusion of the public in respect to the different Swiss-type cheeses available on the mar-

ket, it is the established practice of cheese traders and retailers to indicate the country of origin of the particular Swiss-type cheese. Thus, for example, Swiss-type cheese made in Finland is always displayed as "Finnish Swiss cheese" or words of similar meaning.

A legend such as "Genuine Swiss Cheese" or "Imported Swiss Cheese" means Switzerland Swiss cheese to the trade and me but is not used by the trade without additionally and expressly indicating the country of origin of the cheese.

[fol. 35] 5. I have no connection with Switzerland Cheese Association, Inc. or Schweizerische Kaeseunion A.G. and have not been paid for furnishing this affidavit.

R. Frank Bennett.

IN UNITED STATES DISTRICT COURT

AFFIDAVIT OF MELVIN GREEN IN OPPOSITION TO PLAINTIFF'S (SIC) MOTION FOR SUMMARY JUDGMENT AND PERMANENT INJUNCTION—Filed January 27, 1965

Commonwealth of Massachusetts,
Suffolk County, ss.:

Melvin Green, a resident of Needham, Massachusetts, being duly sworn, deposes and says:

That he is the treasurer of the defendant corporation and manager of its business.

That the defendant operates a small retail meat and provision business, and also supplies restaurants. That altogether it has three full-time employees. That defendant sells between 15 and 20 lbs. of imported Swiss cheese weekly.

In the city of Boston insofar as I have observed, it is not the custom of retail dealers selling block cuts of imported Swiss cheese, such as defendant does, to designate it with the country of origin.

The imported Swiss cheese sold by defendant comes from Finland or Austria, and I have found that it is preferred to Swiss cheese from Switzerland, insofar as the defendant's customers are concerned. Choosing Swiss cheese is a matter of individual taste, and customers of defendant happen to prefer the cheese defendant carries from Finland or Austria.

The words "Imported Swiss Cheese" mean to the trade that the cheese is Swiss cheese coming from abroad, and said words are not trademarks or trade names; but are purely descriptive.

Melvin Green.

[fol. 36]

IN UNITED STATES DISTRICT COURT

JUDGMENT OF NEW YORK SUPREME COURT IN ACTION OF SCHWEIZERISCHE KAESEUNION BERN AGAINST SAUL STARK, INC., 162 MISC. 485, 293 N. Y. S. 816

At a Special Term, Part III, for Trials, Supreme Court, held in and for the County of Kings at Municipal Building, Brooklyn, New York, on the 2nd day of March, 1937.

Present: Honorable Meier Steinbrink, Justice.

File No. 7963—1936

SCHWEIZERISCHE KAESEUNION BERN, suing on its own behalf and on behalf of all other manufacturers of Switzerland Cheese, who may come in and join in this action, Complainant,

against

SAUL STARK, INC., doing business and trading under the name of "BEDROCK FOOD STORES", and MAX DINGOTT and JOSEPH LINCHITZ, Defendants.

The above entitled action having duly come on for trial in its regular course at a Special Term, Part III of this court on the 5th day of February, 1937, and the plaintiffs having appeared with their counsel, Samuel F. Frank, Esq., and the defendants Max Dingott and Joseph Linchitz having appeared by their attorney, Philip Zarch, Esq. and William Sparago of counsel, and the Court having thereupon granted the motion of the plaintiffs to discontinue this ac-
[fol. 37] tion against the defendant Saul Stark, Inc., and the proofs of the remaining parties having been duly submitted and the action tried, and the Court having thereafter on February 18, 1937, made and filed its decision awarding judgment to the plaintiff for the relief requested in the complaint, it is, upon motion of Frank, Weil & Strouse, Esqs., attorneys for the plaintiffs,

Adjudged, that the defendants, Max Dingott and Joseph Linchitz, their employees, agents, and servants, be and they hereby are perpetually enjoined and restrained from advertising, circularizing, selling, or offering for sale, any cheese, and using in connection therewith the words "Genuine," or "Genuine Imported," in connection with the words "Swiss" or "Switzerland," or any other variation or modification thereof similar to that used, advertised and hitherto employed by the defendants herein, as may tend to deceive purchasers, unless the product so offered by them is the product manufactured in Switzerland and exported to the United States by the plaintiff and other manufacturers in that country, or from using in connection with the words Swiss Cheese the word "Imported" unless the name of the country from which the same is actually imported be also used in words or letters of equal prominence therewith.

Enter,

Steinbrink, J. S. C.

Granted, March 2nd, 1937.
John N. Harman, Clerk.

[fol. 38]

IN UNITED STATES DISTRICT COURT

SECOND AFFIDAVIT OF MELVIN GREEN IN OPPOSITION TO PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT, ETC.—
Filed February 3, 1965

Commonwealth of Massachusetts,
Suffolk County, ss.:

Melvin Green, a resident of Needham, Massachusetts, being duly sworn, deposes and says:

That he is the Melvin Green who executed an Affidavit dated January 27th, 1965 and on file in this case.

That he deposes as follows:

The words "Imported Swiss Cheese" mean to the trade that the cheese is Swiss cheese coming from the countries of Finland, Austria, Switzerland, or any other foreign country, and said words are not trademarks or trade names; but are purely descriptive.

In my Affidavit of January 27th, 1965 in stating that "The words 'Imported Swiss Cheese' mean to the trade that the cheese is Swiss cheese coming from abroad," I did not intend to limit the word "abroad" to a single country; but intend it to include all foreign countries from which Swiss cheese has come.

Melvin Green.

[fol. 39]

IN UNITED STATES DISTRICT COURT

EXCERPT FROM TRANSCRIPT OF HEARING OF MOTION FOR SUMMARY JUDGMENT AND PERMANENT INJUNCTION

* * * * * * *

The Court: Why shouldn't summary judgment be entered in this case and a permanent injunction issued?

Mr. Cole: If your Honor please, the defendant has done what he has every right to do. He sold swiss cheese that is imported and he has called it imported swiss cheese.

The Court: Was it made in Switzerland?

Mr. Cole: It wasn't made in Switzerland, no.

The Court: Was it imported from Switzerland?

Mr. Cole: No. It didn't come from Switzerland.

The Court: Well, isn't it pretty well established that the words "imported swiss cheese" means cheese made in Switzerland?

Mr. Cole: No.

The Court: Do you have any case that holds otherwise?

Mr. Cole: There is no case that ever held that a man can't call it swiss cheese.

The Court: Doesn't the ordinary and reasonable person of ordinary intelligence who goes to a supermarket and sees cheeses on display know—you know how they have been displayed—as a matter of common knowledge, when he sees domestic swiss cheese, he knows that he is not getting anything from Switzerland because he is told. But then he says, the customer says: "What I want is genuine swiss cheese." And to my—

Mr. Cole: He doesn't say that.

The Court: To my knowledge the only way that has ever been identified on the market is by "imported swiss cheese." Now isn't it a little bit on the tricky side to go ahead and get what purports to be swiss-type cheese. If it had been imported swiss-type cheese, I could see your [fol. 40] argument; but it seems to me on the face of it that

this is an attempt on the part of the defendant to mislead and to invade the good will of the plaintiffs' product.

Mr. Cole: From time immemorial—

The Court: Give me one case where it was held that this is not—this is what you contend it is.

Mr. Cole: The only case you have was a lower court in New York case which said you can't call it genuine imported swiss cheese. But now we have a United States Supreme Court—

The Court: What is that again? What did you say?

Mr. Cole: In the New York case the court there held that—it was a lower court—that you can't call it genuine imported swiss cheese, and the original charge in this case was that we called it genuine imported swiss cheese, which we never did.

Mr. Toren: Your Honor, if I may interrupt. The judgment in the New York decision prevented or enjoined the use of the word "imported" alone. And my learned friend objected that I did not file a copy of the judgment. I don't think I have to but I have one.

Mr. Cole: Well, the point is what the court said in its opinion. Of course, I have no chance now to answer that. This is a lower court case and we recently have had a United States Supreme Court case.

The Court: What case is that?

Mr. Cole: It is a Sears Roebuck case. It is in my brief.

The Court: Just a moment. Where is it? You don't give me the citation. You give the Supreme Court Reporter but not the official citation in United States Reports. What is the official citation in United States Reports?

Mr. Cole: Well, I have the Supreme Court Reporter. It is 84 Supreme Court 784. It is only last year.

The Court: Do we have the Supreme Court Reporter available? Get 84. You give me all reports except the one that is officially used by the United States Supreme Court [fol. 41] and the courts generally. I think you should take the trouble when submitting a brief to the Court to make

sure that you have a citation, the form of citation which is generally used.

Mr. Cole: Well, I didn't know about that. I did give two citations. I think there are all together four law books.

The Court: Have you shown this judgment to counsel, brother counsel?

Mr. Toren: Yes, your Honor. I served a copy and I quoted it in my brief.

Mr. Cole: He just handed it to me now. However, if you read the court's opinion, you find it didn't say a word—

The Court: Just a moment. Don't anticipate. Did you read the part which enjoins the defendant from using in connection with the words "Swiss cheese" the word "imported" unless the name of the country from which the same is actually imported be also used in words or letters of equal prominence therewith"? Did you read that?

Mr. Cole: I have read that.

The Court: That is the case before me, isn't it?

Mr. Cole: Yes. But that isn't what the court said in its opinion.

The Court: The judgment is what counts, isn't it?

Mr. Cole: No. Furthermore,—

The Court: The judgment does not count?

Mr. Cole: Not unless the court in its opinion discussed it. That is my opinion. But another thing is they just handed this to me now. I have had no chance to check up to see whether that judgment was amended.

The Court: Was the judgment amended?

Mr. Toren: No, sir. No, your Honor.

Mr. Cole: Then why didn't the court in its opinion say so?

The Court: Of course, this is an old certificate, is it not?

Mr. Toren: Yes. The judgment was handed down in 1937. Now since that time the plaintiffs in this case have brought suit against a number of other persons who con- [fol. 42] sented to judgment on the basis of this New York State Court decision.

The Court: Well, isn't the defendant's point well taken, that there should be filed here a current certificate of it, with reference to this judgment; not one that is 28 years old?

Mr. Toren: I am not aware of any provision that I have to file a copy of the judgment at all. I relied on it in the brief.

The Court: But if you do—

Mr. Toren: I rely on the citation. I gave the citation in the brief.

The Court: But if you are relying on the judgment, don't you think then in that case you should file a certificate which is current?

Mr. Toren: Does your Honor mean I should obtain the current certificate from the New York Court? Because the judgment hasn't changed in these 27 years.

The Court: You represent that it has not?

Mr. Toren: No. It has not. It was handed down in 1937 but nothing has happened since then.

The Court: I will take your representation.

Mr. Toren: Thank you.

The Court: What is there about the Sears Roebuck case which sustains your position?

Mr. Cole: Well, the Sears Roebuck case, if your Honor will note, reversed a United States Court of Appeals on the subject of unfair competition and it said whatever is in the public domain cannot be taken from the defendant merely because it copied something that was not patented and was not copyrighted and, therefore, since the plaintiff had not been able to get a valid patent or a copyright, the defendant could copy it even though his lamp looked exactly like the plaintiff's. In other words—

The Court: That is, that lamp design?

[fol. 43] Mr. Cole: Yes, that lamp. But it reiterated the principle that in unfair competition you can't take away from the public what belongs to the public. Now the public in this case has a right to tell the truth. They have a right to call cheese Swiss cheese. If I understand your Honor,

you are stating the position that this plaintiff has some right in the words "Swiss cheese." If the cheese is imported, no, the Supreme Court is squarely against that. You don't take words in the dictionary having an ordinary meaning and then say: you can't use those.

In my opinion, your Honor, if you are inclined to grant this injunction, I hope you will write a full opinion so that if we take an appeal in the case, we will be able to get your views.

He comes into court here with an old 1937 judgment, nothing to prove that it is in effect. We don't know whether that case was really tried or not. All it says is—the usual things—says something about one defendant apparently dropped out. They discontinued one action. It didn't go to a high court at all. It only went to the Supreme Court. Apparently was tried. No appeal was taken.

The Court: Well, don't you think the Supreme Court of New York is a respectable Court?

Mr. Cole: It isn't a high court. The Court of Appeals for the Seventh Circuit is a respectable court and a good court, yet the United States Supreme Court unanimously reversed it last year.

The Court: Which case are you talking about?

Mr. Cole: I am talking about now the Sears Roebuck case.

The Court: I don't think I am going to be influenced very much by that in this connection.

* * * * * * *

The Court: Did you receive a copy of the motion for summary judgment and permanent injunction?

[fol. 44] Mr. Cole: Yes.

The Court: Did you receive a copy of the plaintiff's memorandum for the Court in support of plaintiff's motion? Did you receive that?

Mr. Cole: Yes.

The Court: The plaintiff states on page four, yes, page four, second full paragraph:

"It is the plaintiffs' position that the natural and inherent meaning of 'imported Swiss cheese' is Swiss cheese which has been made in and imported from Switzerland and that plaintiffs therefore, as a matter of law, are entitled to summary judgment and a permanent injunction enjoining the defendant from marketing cheese as 'imported Swiss cheese' where the cheese does not emanate from Switzerland."

Now is it your contention that imported Swiss cheese does not mean imported cheese from Switzerland?

Mr. Cole: My contention is that you can go in any store and buy Swiss cheese. If you want a cheese sandwich today, you can get it. Now if the cheese is imported, the dealer ought to say so. Now he can't always say the country it is imported from.

The Court: Why?

Mr. Cole: He may not even know where it is imported from. This is only a small dealer. He gets these pieces of cheese in blocks. He sells from 15 to 20 pounds a week. He doesn't get a great big cheese. If he got a great big cheese, then it is marked where it came from; but he gets a little cheese just to satisfy his customers. It is imported but he doesn't necessarily know where it is imported from.

The Court: Does it happen to be cheaper too?

• • • • • • •

[fol. 45] The Court: Do you have any evidence to show that when the words "imported Swiss cheese" are used on a Swiss-type cheese that it may mean cheese that is manufactured outside of Switzerland and imported?

Mr. Cole: Well, the affidavit of the defendant is to that affect (sic), but instead, your Honor—

The Court: Well, one question at a time. Where is your affidavit?

Mr. Cole: Well, I filed it. I suppose it is part of the case. Incidentally, your Honor—

The Court: Let's take one question at a time.

Mr. Cole: But you just said something, your Honor, and I would like to point out I think it is wrong. You are saying "Swiss-type cheese." That is not correct. If you go into a restaurant and order a Swiss cheese sandwich, you don't have to say "Swiss-type cheese."

The Court: I know that. But if I go to a restaurant and ask them for imported Swiss cheese, I expect—at least up until now I have expected to receive cheese that was made in and imported from Switzerland. This is the first time—and I eat in restaurants continually, and I happen to like Swiss cheese too, as a matter of fact, good Swiss cheese generally—this is the first case in the first instance that I have—and I may be wrong, of course, because I am only relatively young; perhaps I haven't been around restaurants enough, although I eat out practically every night—but it comes to me as a distinct surprise to be told that when I see the inscription, legend "imported Swiss cheese," that it is just to be understood that I may get Swiss cheese that is imported from a country other than Switzerland.

Mr. Cole: From different countries.

The Court: All I am saying is that it comes to me as a distinct surprise. Now you may be right. I don't know. I would be astonished if that is right because it seems to me a species of deception.

[fol. 46] Mr. Cole: Well, Swiss cheese comes from several different countries not just one, two or three. All we are saying is that we want to mark it imported not because this cheese from Switzerland is better. That isn't important. Because a small dealer oftentimes doesn't know what country it came from.

The Court: It can be very easily found out though.

Mr. Cole: How can he?

The Court: By getting a representation from his wholesaler.

Mr. Cole: He buys only a small slab.

The Court: He can still require the same representation.

Mr. Toren: Your Honor, if I may interject: there were depositions taken, and the defendant has admitted that when he orders his Swiss cheese, he specifies the country of origin.

The Court: Just a moment. Is this the affidavit of Melvin Green you referred to?

Mr. Cole: Yes.

The Court: Just a moment. I want to read it. Well, the question before me is whether or not there is any genuine dispute as to any material fact.

Mr. Cole: Oh, yes, there is.

The Court: I didn't ask you. The defendant has an affidavit here, the last paragraph of which states: "the words Imported Swiss Cheese mean to the trade that the cheese is Swiss cheese coming from" abroad * * * "and said words are not trade-marks or trade names but are purely descriptive."

Do you have any other evidence besides the say so of Mr. Green that the words "imported Swiss cheese" mean to the trade that the cheese is Swiss cheese coming from abroad, from a country other than Switzerland?

Mr. Cole: Let me say this—

[fol. 47] The Court: You omitted that. Instead of saying from abroad, from any country, it simply says coming from abroad. Of course, imported Swiss cheese that comes from Switzerland comes from abroad. I see an ambiguity in this affidavit.

Mr. Cole: No.

The Court: Please. You are in too much of a hurry to talk. I have given you many opportunities to talk and you keep interrupting me. This affidavit, this paragraph does not seem to be quite candid to me. It says "the words Imported Swiss Cheese mean to the trade that the cheese is Swiss cheese coming from abroad and said words are not trade-marks." Well, obviously, it comes from abroad if it comes from Switzerland too. It doesn't say Swiss cheese coming from abroad from all countries, Switzerland and other countries. It doesn't say that, does it?

Mr. Cole: Doesn't "abroad" mean—

The Court: I say, doesn't he say that?

Mr. Cole: No. If your Honor please, in connection with this I wish to point out another thing.

The Court: Well, I will give you five days within which to file an affidavit by this man, if he can file such an affidavit truthfully, that the meaning of the words "imported Swiss cheese" mean to the trade that the cheese is Swiss cheese coming from abroad from countries other than Switzerland as well as Switzerland itself. Is that what he intended to tell me by this affidavit?

Mr. Cole: Yes, he did.

The Court: He didn't say so. Have him explicitly say so.

Mr. Cole: I think "abroad" is so broad—

The Court: Don't argue with me. I want it put beyond doubt. I don't want any quibbling and I don't want any semantics in this case because if he is not telling the truth, then I want to know what it is that he is saying.

* * * * * * *

[fol. 48] The Court: The only question before me is whether or not there is any genuine dispute as to any material fact. If there is, I cannot grant the motion for summary judgment, as you know.

Mr. Toren: I know that, your Honor.

The Court: Now the question that appears to me will be raised here or the dispute that has been raised subject to further clarification by the affidavit that is expected to be filed is that in the trade—I assume that to be in the trade which deals with the sale of cheese on our markets, the buying and selling of cheeses—that the words "imported Swiss cheese" have come to have this accepted meaning, claims the defendant—whether it is true or not I don't know—namely, Swiss Cheese that has been imported into the United States from any country, whether it be Switzerland or any other country. That is the claim. Now when you say No, that is not true—I assume you say that—that

the words "imported Swiss cheese" have not acquired such a meaning in the trade—is that your contention?

Mr. Toren: Oh, yes.

The Court: So there is a dispute as to that fact, isn't there?

Mr. Toren: Well, your Honor—

The Court: There is a dispute and assuming that the dispute is genuine—and I have no reason to say that the dispute is not genuine because I am not familiar, nor could I take judicial notice because it isn't a question so commonly known and about which I could take judicial notice, that the contention of the defendant is not true—you have a dispute here, namely, as to what is meant in the trade when the words, "imported Swiss cheese" are used. Does it mean cheese that is manufactured in Switzerland and imported from Switzerland or does it have in the trade a wider meaning claimed by the defendant, namely, Swiss-type cheese that is imported from any country into [fol. 49] the United States not necessarily Switzerland. Now isn't that a genuine dispute?

Mr. Toren: Well, your Honor, I take the position that it is not because we have certain rules of language; and if I have a word like "Swiss" and I qualify it by "imported," then the natural, inherent, primary meaning means that the thing comes from Switzerland. That is simply a matter of language. That is number one.

The Court: The meaning of language, as you well know, depends also on usage.

Mr. Toren: Right. Now that is only one part of our claim.

The Court: What is the other part?

Mr. Toren: The other thing is that we rely on the International Convention to which both Switzerland and the United States are parties, and we have filed affidavits which have not been contested that we own the designation "imported Swiss cheese" and that under the Convention, as a matter of law, we are entitled to protection. That is

Section 44 of the Lanham Act which I have cited. Many cases have been cited under the Section.

Now the International Convention includes trade names and designations of origin, and the statute expressly embodies the International Convention. Section 44 of the Lanham Act embodies the International Convention.

Now again, as a matter of law, we feel we are entitled to protection both under the International Convention and the Lanham Act, Section 44, irrespective of any proofs the defendant may be able to adduce.

The Court: What do you say about that?

Mr. Cole: It is the same thing as before. The International Convention doesn't change our law at all. It is difficult, reading his memorandum, to know why he brings in the International Convention at all. If we have a right to call our cheese imported, then the International Con-
[fol. 50] vention hasn't taken it away. The thing I feel most strongly about is that you don't take the principle laid down in that Supreme Court case and apply it here.

The Court: I will read them again.

Mr. Cole: By the way, the Massachusetts Supreme Judicial Court has discussed this case within a few months. I just learned about that and unfortunately—

The Court: That is that copyright case, isn't it?

Mr. Cole: This isn't a copyright case.

The Court: I say, the case that you cited is a copyright case.

Mr. Cole: No. The Sears Roebuck case.

Mr. Toren: Your Honor, I am very well familiar with it. If I may briefly summarize it.

Mr. Cole: It is a lamp case.

The Court: The design of a lamp. It has to do with the design of a lamp.

Mr. Cole: And Sears Roebuck copied the lamp.

The Court: Right.

Mr. Cole: And what the Supreme Court is pointing out is that you cannot take things out of the public domain and give it to the one side or the other.

The Court: But this is not a copyright matter, is it?

Mr. Cole: Here is what they say it is. They say that the words "imported Swiss cheese" is a trade name. Now how do they prove it? Do you know, your Honor, they use two affidavits only to prove it?

The Court: Look: the only reason I called on you again was not to start argument all over again from its very beginning because I have given you ample opportunity to talk, but only to give you a chance to answer the second contention being made by the plaintiff, namely, the plaintiff's reliance on the International Convention and the Lanham Act. Now what do you say about that?

Mr. Cole: Well, I say that it is just the same situation if we use the words "imported Swiss cheese" and then that [fol. 51] is in general practice in the trade; then we are within our rights. We always come back to the dictionary. We can't help it, and I don't want to reargue that.

The Court: Don't reargue anything you have already argued.

* * * * * * *

The Court: * * * Do you wish to file any affidavit as to the trade usage?

Mr. Toren: Your Honor, if we do that, then, of course, we bring the case into the realm of fact. Now we brought that motion for summary judgment.

The Court: It is already in the realm of facts, isn't it?

Mr. Toren: Well, we feel it is a matter of law. We can prove all that we say. But for this we have to go to trial.

The Court: I don't think I have made myself clear. I have no choice in the matter. If there is a genuine dispute as to any material fact, I cannot, over the objection of the other party, grant the motion. The rule allows me to grant a motion for summary judgment only when there is no genuine dispute as to any material fact, even though it means an expensive trial.

Mr. Toren: Right, your Honor. Now the second point was the International Convention and the Lanham Act. It

hasn't even been mentioned in Mr. Cole's brief. Now that means he has not attacked it.

The Court: Apparently he takes the position that it is not conclusive. That is the position he takes from what he said.

Mr. Toren: But that is not a matter of genuine issue of fact if he simply says—

The Court: That is a matter of law.

Mr. Toren: That is a matter of law.

The Court: If what you claim is so.

Mr. Toren: Now that can be decided on summary judgment.

[fol. 52] The Court: Well, I will take the case under advisement and as soon as I have received the new affidavit, of which a copy is to be sent to counsel for the plaintiff, I will look into the motion and decide it.

* * * * * * * *

[fol. 53]

IN UNITED STATES DISTRICT COURT

ORDER APPEALED FROM

On February 15, 1965, the following action was taken by Julian, J. on Motion for Summary Judgment and Permanent Injunction:

"Motion denied after hearing."

Julian, J., By the Court, Eleanor F. Taylor, Deputy Clerk.

Feb. 16, 1965.

[fol. 54]

IN UNITED STATES DISTRICT COURT

NOTICE OF APPEAL—Filed March 15, 1965

(D-26)

Notice is hereby given that Switzerland Cheese Association, Inc. and Schweizerische Kaeseunion A.G., plaintiffs above-named, hereby appeal to the United States Court of Appeal for the First Circuit from the order denying plaintiffs' Motion for Summary Judgment and Permanent Injunction entered in this action on February 16, 1965.

Dated: March 15, 1965.

Wolf, Greenfield & Hieken, 165 Devonshire Street, Boston, Massachusetts, Attorneys for Appellants, By: George L. Greenfield, A Member of the Firm.

Of Counsel for Appellants: David Toren, John J. McGlew, George L. Greenfield, Moses, McGlew and Toren, 28 West 44th Street, New York 36, New York.

[fol. 55]

APPENDIX TO BRIEF FOR APPELLEE

IN THE UNITED STATES COURT OF APPEALS

FOR THE FIRST CIRCUIT

No. 6523

SWITZERLAND CHEESE ASSOCIATION, INC.,
SCHWEIZERISCHE KAESEUNION A.G., Appellants,

v.

E. HORNE'S MARKET INC., Appellee.

IN UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF MASSACHUSETTS

AFFIDAVIT OF HAROLD E. COLE INCLUDING NEW YORK TIMES ISSUE SHOWING PLAINTIFFS' ADVERTISING THEREIN

Harold E. Cole, being duly sworn, deposes and says:

That he is attorney for defendant, and has a law office at 101 Tremont Street, Boston, Massachusetts, and resides at Taunton, Massachusetts.

That on Tuesday, October 6, 1964, he obtained the New York Times published as of that date. On page 60 of it there appeared an article on advertising and a picture with a reproduction of an advertisement of plaintiff's, a specimen of which is attached hereto and marked "Defendant's Exhibit A".

In this advertisement of plaintiff's there appears in fine print within the border of a rectangle, and in the last 3 lines (at the right) the following statement by plaintiff, The Switzerland Cheese Association, Inc.:

"Imported Swiss Cheese isn't good enough for you. Insist on genuine Swiss Switzerland Swiss Cheese."

This advertisement shows that the words "Imported Swiss Cheese" refer to all imported cheese and agrees with de-
[fol. 56] fendant's affidavit to that effect. It differentiates from imported Swiss cheese in general from its product by urging the public to insist on "genuine Switzerland Swiss Cheese".

Note the caution to the public: "I insist on Switzerland Swiss Cheese because . . . "

This advertisement gainsays the statements in the affidavits submitted with the Motion For Summary Judgment that "Imported Swiss Cheese" means Switzerland Swiss Cheese, for plaintiff itself draws the distinction and gives the identifying name to its product, namely "genuine Switzerland Swiss Cheese".

In connection with the words "Imported Swiss Cheese" it is pointed out that the affidavits of Caplan and of Bennett both referred to the practice of "the trade" in designating Swiss cheese (see Caplan affidavit, 4th paragraph) (3rd from bottom). Bennett refers to "cheese traders and retailers" in referring to this designation of imported Swiss cheese. See his affidavit, page 2, lines 1 and 2.

The statement in Plaintiff's Supplemental Memorandum filed after hearing on the motion for summary judgment that the meaning "to the trade" is not in issue is belied by its own affidavits aforesaid. The only consumer making a record on said motion is the statement of the Court referred to in said Supplemental Memoranda, Page 4, as follows:

> [fol. 57] "During the argument, the Court stated that it had always been the Court's understanding and belief that 'Imported Swiss Cheese' meant cheese from Switzerland and that in ordering an imported Swiss cheese in a restaurant, the customer should be entitled to expect a sandwich with cheese that had been imported from Switzerland."

While such understanding and belief on the part of this Court may be unusually persuasive to it, nevertheless it is not supported by established facts. Certainly the plaintiff would not be spending huge sums of money, as noted in the advertisement, Exhibit A, to persuade the public to differentiate between any foreign cheese which it calls "Imported Swiss Cheese" and its own cheese which it identifies as "genuine Switzerland Swiss Cheese."

Harold S. Cole

Commonwealth of Massachusetts,
County of Suffolk, ss.

Subscribed and sworn to before me this Feb. 15, 1965.

Ina F. Lundberg, Notary Public.
Harold S. Cole, Attorney for Defendant.

Note—A copy of the New York Times issue identified by [fol. 58] this affidavit is now somewhat faded, and it is not possible to clearly reproduce it. However, a copy will be presented tc this Court at the oral argument as well as a copy of the magazine in which the advertisement later appeared.

IN THE UNITED STATES COURT OF APPEALS

FOR THE FIRST CIRCUIT

No. 6523

SWITZERLAND CHEESE ASSOCIATION, INC.,
SCHWEIZERISCHE KAESEUNION A.G., Appellants,

v.

E. HORNE'S MARKET INC., Appellee.

MEMORANDUM RE SUBMISSION

On October 6, 1965, this cause was submitted to Honorable Bailey Aldrich, Chief Judge, and Oliver D. Hamlin, Jr., (by designation), Senior Circuit Judge and Honorable Edward M. McEntee, Circuit Judge.

[fol. 59]

IN THE UNITED STATES COURT OF APPEALS

FOR THE FIRST CIRCUIT

No. 6523

SWITZERLAND CHEESE ASSOCIATION, INC., ET AL.,
Plaintiffs, Appellants,

v.

E. HORNE'S MARKET, INC., Defendant, Appellee.

APPEAL FROM THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

Before ALDRICH, Chief Judge, HAMLIN, Senior Circuit Judge,* and McENTEE, Circuit Judge.

David Toren, John J. McGlew, George L. Greenfield, Moses, McGlew and Toren, and Wolfe, Greenfield & Hieken on brief for appellants.

Harold E. Cole on brief for appellee.

OPINION OF THE COURT—October 19, 1965

ALDRICH, Chief Judge. This is an action for trademark infringement and unfair competition in which jurisdiction is posited upon the trademark laws, 15 U.S.C. §1051 et seq. The complaint sought a temporary and a permanent injunction and an accounting for damages. Prior to trial plaintiffs moved, on affidavits and counteraffidavits, for a summary judgment granting a permanent injunction. The district court, upon consideration, denied the motion. Plaintiffs appeal.

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* Sitting by designation.

[fol. 60] The first question is that of our jurisdiction. No determination was made, or sought for, warranting an interlocutory appeal under 28 U.S.C. §1292(b). Plaintiffs assert jurisdiction under section 1292(a)(1), permitting appeals from "interlocutory orders of the district courts . . . granting, continuing, modifying, refusing or dissolving injunctions . . . " We do not find this section appropriate.

Plaintiffs concede that they did not ask for, and made no showing in the district court warranting, an interlocutory injunction, and that all they sought, and presently seek, is a permanent injunction. It is equally clear that the district court did not finally deny a permanent injunction, but merely held that in the present posture of the case there is an issue of fact making a summary judgment inappropriate.

It must be apparent that the denial of an interlocutory injunction is not the same as an interlocutory denial of a permanent injunction. By hypothesis the need, or alleged need, for an immediate appeal is urgent in the former case. Contrariwise, a final appeal from the interlocutory denial of a permanent injunction may never be needed; the court, when the evidence is taken, may grant, rather than deny, relief.

Because of the general policy against piecemeal appeals, statutes permitting interlocutory appeals are to be construed with some strictness. On this basis, whatever may be the exact letter, the spirit of section 1292(a)(1) is against plaintiff's position. In this we agree with cases such as *Morgenstern Chemical Co.* v. *Schering Corp.*, 3 Cir., 1950, 181 F.2d 160, and *Hook* v. *Hook & Ackerman, Inc.*, 3 Cir., 1954, 213 F.2d 122. See also *Division 689* v. *Capital Transit Co.*, D.C.Cir., 1955, 227 F.2d 19, and Clark, C.J., dissenting, in *United States* v. *New York, N.H. & H. RR.*, 2 Cir., 1960, 276 F.2d 525, at 549, 552, cert. den. 362 U.S. 961 and 964.

[fol. 61] Plaintiffs cite *Peter Pan Fabrics, Inc.* v. *Dixon Textile Corp.*, 2 Cir., 1960, 280 F.2d 800. It is true that in that case the court upheld plaintiff's position. We note, however, that the writer expressed his personal reluctance, but felt bound by the circuit's prior decisions. We are under no such disability. Furthermore, we think that the additional opportunity afforded by section 1292(b) for interlocutory appeals under controlled conditions enacted since the original decisions in the Second Circuit makes strict construction of the other sections all the more desirable.

Appeal dismissed for want of jurisdiction.

IN THE UNITED STATES COURT OF APPEALS
FOR THE FIRST CIRCUIT

ORDER OF COURT—October 19, 1965

This cause came on to be heard upon appeal from the United States District Court for the District of Massachusetts, and was submitted on briefs by direction of the Court.

Upon consideration whereof, It is now here ordered as follows: The appeal herein is dismissed for want of jurisdiction.

By the Court: Roger A. Stinchfield, Clerk.

Enter: Aldrich, Ch.J.

[fol. 62] Thereafter, on October 26, 1965, mandate was stayed.

[fol. 63] Clerk's Certificate (omitted in printing).

[fol. 64]

SUPREME COURT OF THE UNITED STATES

No. 831—October Term, 1965

SWITZERLAND CHEESE ASSOCIATION, INC., et al., Petitioners,

v.

E. HORNE'S MARKET, INC.

ORDER ALLOWING CERTIORARI—January 31, 1966

The petition herein for a writ of certiorari to the United States Court of Appeals for the First Circuit is granted, and the case is placed on the summary calendar.

And it is further ordered that the duly certified copy of the transcript of the proceedings below which accompanied the petition shall be treated as though filed in response to such writ.

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Supreme Court of the United States

October Term, 1966

No. [redacted] 42

SWITZERLAND CHEESE ASSOCIATION, INC.,
SCHWEIZERISCHE KAESEUNION A.G.,

Petitioners,

against

E. HORNE'S MARKET, INC.,

Respondent.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIRST CIRCUIT

JOHN J. MCGLEW,
DAVID TOREN,
ALFRED E. PAGE,
28 West 44th Street,
New York, N. Y. 10036,
Counsel for Petitioners.

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Supreme Court of the United States

October Term, 1965

No.

SWITZERLAND CHEESE ASSOCIATION, INC., SCHWEIZERISCHE KAESEUNION A. G.,

Petitioners,

against

E. HORNE'S MARKET, INC.,

Respondent.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIRST CIRCUIT

Petitioners, Switzerland Cheese Association, Inc. and Schweizerische Kaeseunion A. G., pray that a writ of certiorari issue to review the order of the United States Court of Appeals for the First Circuit, entered in the above-entitled case on October 19, 1965.

Citations to Opinions Below

The District Court denied petitioners' motion without opinion. The opinion of the Court of Appeals printed in Appendix A hereto, *infra*, page 8, is reported in 351 F. 2d 552. It also appears in the Joint Record Appendix [1], pages 53a-55a.

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[1] The printed material filed in connection with this petition includes one volume of a Joint Record Appendix prepared by the Clerk of the Court of Appeals and containing selected portions of the record before the District Court and the proceedings in the Court of Appeals. This Joint Record Appendix is hereafter referred to as J.R.A.

Jurisdiction

The order of the Court of Appeals was entered on October 19, 1965 (J.R.A. 55a). The jurisdiction of this Court is invoked under 28 U. S. C. Section 1254(1).

Questions Presented

Petitioners are the exclusive representatives of the cheese manufacturers of Switzerland. They allege that respondent's use of the trade designation "Imported Swiss Cheese" on non-Switzerland cheese, without indicating the country of origin of the cheese, is deceptive and an unfair trade practice as a matter of law. Petitioners' motion for summary judgment granting a permanent injunction was denied by the United States District Court for the District of Massachusetts and petitioners' appeal was dismissed by the Court of Appeals for the First Circuit for want of jurisdiction.

The questions presented are:

1. Whether 28 U. S. C. § 1292 (a) (1) authorizes an appeal to the appropriate Court of Appeals from a denial by a District Court of a motion for summary judgment granting a permanent injunction; and

2. Whether the Court of Appeals for the First Circuit erred in dismissing the appeal from the denial of the motion for summary judgment granting a permanent injunction for want of jurisdiction, where 28 U. S. C. § 1292 (a) (1) expressly states that "the courts of appeals shall have jurisdiction of appeals from (1) interlocutory orders of the district courts of the United States . . . refusing . . . injunctions" and the Court of Appeals for the Second Circuit has repeatedly held that such denials are appealable.

Statute Involved

The statutory provision involved is 28 U. S. C. § 1292 (a)(1), (the Act of June 29, 1948, c. 646, 62 Stat. 869 § 1292 (1)). This section is printed in Appendix B, *infra*, page 11.

Statement

E. Horne's Market Inc., the respondent and hereinafter referred to as Horne, operates a meat and cheese stall at Faneuil Hall Market in Boston. Horne has displayed and sold Swiss-type cheese produced in Finland and Austria as "Imported Swiss Cheese" without indicating the country of origin of the cheese (J.R.A. 15a, 16a).

Petitioners, the exclusive representatives of all the cheese producers and cheese exporters of Switzerland (J.R.A. 23a, 25a, 26a), contend that

(a) the trade designation "Imported Swiss Cheese" inherently and primarily means cheese imported from Switzerland (J.R.A. 23a, 27a, 28a), and

(b) the use of this designation to identify non-Switzerland cheese is deceptive and an unfair trade practice as a matter of law, unless the country of origin of the cheese is also identified (J.R.A. 9a, 10a).

The action was originally commenced on November 19, 1963 in the United States District Court for the District of Massachusetts for trademark infringement and unfair competition (J.R.A. 1a, 3a).

After issue was joined, petitioners took the deposition of Horne's treasurer and business manager Melvin Green (J.R.A. 17a) and served upon Horne a Request for Admission of Facts pursuant to Rule 36 of the Federal Rules of Civil Procedure (J.R.A. 15a). As a result thereof, Horne admitted that

(a) it had been selling Swiss cheese made in Finland and/or Austria under the designation "Imported Swiss Cheese" without specifying the country of origin of such cheese (J.R.A. 15a, 16a, 19a);

(b) it had sold such cheese at a lesser price than the price commanded by Switzerland Swiss cheese (J.R.A. 19a); and

(c) it knew that its cheese was imported from countries other than Switzerland (J.R.A. 15a, 18a).

Petitioners thereupon brought a motion for summary judgment granting a permanent injunction enjoining Horne from selling and offering for sale as "Imported Swiss Cheese" any Swiss-type cheese other than Swiss cheese made in Switzerland and selected and approved by petitioners for export to the United States, unless the name of the country from which the cheese has been imported is used in words or letters of equal prominence therewith (J.R.A. 20a).

The motion was brought on the premise that no material facts were in dispute and there was no genuine issue which had to be tried.

Horne opposed the motion which was denied by the District Court without opinion (J.R.A. 47a).

Petitioners thereupon appealed to the Court of Appeals for the First Circuit (J.R.A. 48a). The jurisdiction of the Court of Appeals was invoked under 28 U. S. C. § 1292 (a)(1) (Appendix B, *infra*, p. 11). In support of their contention that the Court of Appeals has jurisdiction under the statute, petitioners relied in their brief on the decision of the Court of Appeals for the Second Circuit in *Federal Glass Company* v. *Loshin, et al.*, 217 F. 2d 936 (1954). The majority opinion of Circuit Judge Learned Hand in the *Federal Glass* case is reproduced herein as Appendix C, *infra*, page 12. Petitioners' brief also pointed out that the Second Circuit had followed the *Federal Glass* case doctrine,

as enunciated in Circuit Judge Learned Hand's opinion, in *Peter Pan Fabrics, Inc.* v. *Dixon Textile Corporation*, 280 F. 2d 800 (1960) where the Court stated:

> "Defendant-appellee contends that the orders denying summary judgment are not appealable because not final; appellant that they are appealable as orders denying injunctions. 28 U. S. C. 1292 (1). The matter is settled in this circuit in favor of appealability by *Raylite Electric Corp.* v. *Noma Electric Corp.*, 2 Cir., 1948, 170 F. 2d 914, *Federal Glass Co.* v. *Loshin*, 2 Cir., 1954, 217 F. 2d 936, *United States* v. *New York N. H. & H. R. R. Co. et al.* (*Glenmore et al.* v. *Ahern et al.*), 2 Cir., 276 F. 2d 525, with which my brothers are in accord."

Petitioners' brief also drew attention to the conflicting decisions of the Third Circuit in *Morgenstern Chemical Co.* v. *Schering Corp.*, 181 F. 2d 160, and *Hook* v. *Hook & Ackerman, Inc.*, 213 F. 2d 122, which were disapproved of by Circuit Judge Learned Hand in the *Federal Glass* case.

When petitioners' counsel answered the calendar call on October 4, 1965, Chief Judge Aldrich of the First Circuit stated that the appeal was dismissed for want of jurisdiction and that no oral argument would be heard. In his subsequent opinion (Appendix A, *infra*, p. 8), Chief Judge Aldrich, while acknowledging the conflict with the decisions of the Second Circuit, stated that "whatever may be the exact letter, the spirit of Section 1292(a)(1) is against plaintiff's position".

Reasons for Granting the Writ

1. The decision of the court below is in direct conflict with the decisions of the Second Circuit as referred to hereinabove and spurns the express language of § 1292 (a) (1). Petitioners' position can be expressed no better than in Circuit Judge Learned Hand's words as appearing in the *Federal Glass* case:

> "Section 1291 provides for appeals from final judgments of all sorts, necessarily including an ap-

peal from a final judgment denying a permanent injunction. Section 1292 allows appeals from four different kinds of interlocutory orders of which the first is those "granting, continuing, modifying, refusing or dissolving injunctions, or refusing to dissolve or modify injunctions.' If these words be read literally, they appear to us indubitably to cover the denial of a motion for a permanent injunction, regardless of what may be the procedure or grounds of the moving party. Indeed, we do not understand that those, who deny any appeal, think otherwise, they base their interpretation upon the theory that the decision does not settle, and indeed does not even tentatively decide, anything about the merits of the claim; all it does is to hold that, upon the facts as shown, the cause must await a trial. Even were that so, it scarcely seems an adequate reason for disregarding language so unconditional as that of the section; but we do not wish to rely upon that. Under Rule 56(c), 28 U.S.C.A., to be granted a summary judgment, the moving party must show, not only that there is no 'genuine issue as to any material fact,' but also that he 'is entitled to a judgment as a matter of law.' If the decision is based upon these later words, it is obvious that a denial may finally settle a great deal, for usually a later judge will accept the law already laid down in the same action by an earlier judge.

* * *

It appears to us therefore that the considerations that presumably moved Congress in 1895 to grant appeals from interlocutory denials of preliminary injunctions—i.e. because it was unfair to leave suitors unprotected pending trial—should be deemed to apply to denials of permanent injunctions."

Clearly, the conflict between the First and Third Circuits on the one hand and the Second Circuit on the other in interpreting § 1292 (a) (1) involves an important question of statutory construction which can effectively be resolved only by the prompt action of the Supreme Court alone. *Shapiro* v. *United States*, 335 U. S. 1, 4; *New York* v. *Saper*, 336 U. S. 328, 329. The need for a uniform rule

on the point under consideration is obvious. *Commissioner* v. *Bilder*, 369 U. S. 499, 501. Surely, a litigant should be entitled to know whether he may as of right appeal from an order denying a permanent injunction irrespective of the circuit where the action is pending.

2. The substantive issue of the controversy between petitioners and respondent is one of law and not of fact. Whether or not it is deceptive to designate non-Switzerland cheese as "Imported Swiss Cheese" without indicating the country of origin of the cheese is a legal and not a factual question. A trial could not possibly aid the court below in resolving the controversy. Petitioners, therefore, seek a decision from the court below that, irrespective of the particular facts which may be involved, Horne's conduct is unlawful as a matter of law. Such decision evidently would be more valuable to petitioners and have more persuasive power in other jurisdictions than a decision which is based on a particular fact pattern which may differ in respect to the conduct of another wrongdoer who, however, commits the same wrong. The grant of a permanent injunction by way of a summary judgment is consequently of great importance to petitioners in the present case who attempt to protect their valuable trade designation "Imported Swiss Cheese" from dilution and infringement. The Court below deprived petitioners of a review of the merits of their cause for a reason which is contrary to the express provisions of the statute.

CONCLUSION

For the foregoing reasons, this petition for a writ of certiorari should be granted.

Respectfully submitted,

JOHN J. MCGLEW,
DAVID TORREN,
ALFRED E. PAGE,
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Appendix A

(Opinion of the Court)

UNITED STATES COURT OF APPEALS

FOR THE FIRST CIRCUIT

No. 6523.

SWITZERLAND CHEESE ASSOCIATION, INC., et al.,
Plaintiffs-Appellants,

against

E. HORNE'S MARKET, INC.,
Defendant-Appellee.

APPEAL FROM THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

Before ALDRICH, *Chief Judge,* HAMLIN, *Senior Circuit Judge,** and MCENTEE, *Circuit Judge.*

David Toren, John J. McGlew, George L. Greenfield, Moses, McGlew and Toren and *Wolfe, Greenfield & Hicken* on brief for appellants.

Harold E. Cole on brief for appellee.

October 19, 1965

ALDRICH, *Chief Judge.* This is an action for trademark infringement and unfair competition in which jurisdiction is posited upon the trademark laws, 15 U.S.C. § 1051 *et seq.*

* Sitting by designation.

Appendix A

The complaint sought a temporary and a permanent injunction and an accounting for damages. Prior to trial plaintiffs moved, on affidavits and counter-affidavits, for a summary judgment granting a permanent injunction. The district court, upon consideration, denied the motion. Plaintiffs appeal.

The first question is that of our jurisdiction. No determination was made, or sought for, warranting an interlocutory appeal under 28 U.S.C. § 1292 (b). Plaintiffs assert jurisdiction under section 1292 (a)(1), permitting appeals from "interlocutory orders of the district courts . . . granting, continuing, modifying, refusing or dissolving injunctions. . . ." We do not find this section appropriate.

Plaintiffs concede that they did not ask for, and made no showing in the district court warranting, an interlocutory injunction, and that all they sought, and presently seek, is a permanent injunction. It is equally clear that the district court did not finally deny a permanent injunction, but merely held that in the present posture of the case there is an issue of fact making a summary judgment inappropriate.

It must be apparent that the denial of an interlocutory injunction is not the same as an interlocutory denial of a permanent injunction. By hypothesis the need, or alleged need, for an immediate appeal is urgent in the former case. Contrariwise, a final appeal from the interlocutory denial of a permanent injunction may never be needed; the court, when the evidence is taken, may grant, rather than deny, relief.

Because of the general policy against piecemeal appeals, statutes permitting interlocutory appeals are to be construed with some strictness. On this basis, whatever may be the exact letter, the spirit of section 1292 (a)(1) is against plaintiff's position. In this we agree with cases such as *Morgenstern Chemical Co.* v. *Schering Corp.*, 3 Cir., 1950, 181 F. 2d 160, and *Hook* v. *Hook & Ackerman*,

Inc., 3 Cir., 1954, 213 F. 2d 122. See also *Division 689* v. *Capital Transit Co.*, D.C.Cir., 1955, 227 F. 2d 19, and Clark, C.J., dissenting, in *United States* v. *New York, N. H. & H. RR.*, 2 Cir., 1960, 276 F. 2d 525, at 549, 552, *cert. den.* 362 U. S. 961 and 964.

Plaintiffs cite *Peter Pan Fabrics, Inc.* v. *Dixon Textile Corp.*, 2 Cir., 1960, 280 F. 2d 800. It is true that in that case the court upheld plaintiffs' position. We note, however, that the writer expressed his personal reluctance, but felt bound by the circuit's prior decisions. We are under no such disability. Furthermore, we think that the additional opportunity afforded by section 1292 (b) for interlocutory appeals under controlled conditions enacted since the original decisions in the Second Circuit makes strict construction of the other sections all the more desirable.

Appeal dismissed for want of jurisdiction.

On the same day, October 19, 1965, the following order was entered:

ORDER OF COURT

October 19, 1965

This Cause came on to be heard upon appeal from the United States District Court for the District of Massachusetts, and was submitted on briefs by direction of the Court.

Upon consideration whereof, it is now here ordered as follows: The appeal herein is dismissed for want of jurisdiction.

By the Court:

/s/ ROGER A. STINCHFIELD,
Clerk.

Enter:

/s/ ALDRICH, *Ch. J.*

Appendix B

Act of June 2, 1948, 28 U. S. C. 1292(a)(1)

§ 1292. Interlocutory decisions

(a) The courts of appeals shall have jurisdiction of appeals from:

(1) Interlocutory orders of the district courts of the United States, the United States District Court for the District of the Canal Zone, the District Court of Guam, and the District Court of the Virgin Islands, or of the judges thereof, granting, continuing, modifying, refusing or dissolving injunctions, or refusing to dissolve or modify injunctions, except where a direct review may be had in the Supreme Court;

• • •

Appendix C

Conflicting Opinion

UNITED STATES COURT OF APPEALS

SECOND CIRCUIT

No. 23226

Motion Submitted Oct. 4, 1954

Decided Dec. 3, 1954

217 F. 2d 936

FEDERAL GLASS COMPANY,

Appellant,

v.

SAMUEL LOSHIN, et al.,

Appellees.

Before:

CLARK, *Chief Judge,* and L. HAND and FRANK, *Circuit Judges.*

L. HAND, *Circuit Judge:*

The defendants move to dismiss an appeal, taken by the plaintiff from an order that denied its motion for a summary judgment in an action to enjoin the defendants (a) from copying the plaintiff's trade name and corporate title, (b) to compel them to account for any profits, and (c) to pay damages. (The complaint included a prayer both for a permanent injunction and for an injunction pendente lite.) The plaintiff's motion came on to be heard after answer upon numerous affidavits filed by both parties, and upon the plain-

tiff's answers to interrogatories put by the defendants. Judge Smith denied it in a written opinion, 126 F. Supp. 737, substantially for the reason that the plaintiff had not proved that its trade name had become widely enough known in the defendants' market before the defendants had themselves begun business. Both parties agree that the order was interlocutory; their difference is whether it is nevertheless within the meaning of § 1292(1) of Title 28 U. S. C. A., as an order "refusing" an injunction. The decisions are not uniform. We held in Raylite Electric Corp. v. Noma Electric Corporation, 2 Cir., 170 F. 2d 914, that an appeal lay from such an order, and the Fifth Circuit did the same in International Forwarding Co. v. Brewer, 181 F. 2d 49. On the other hand the Third Circuit in Morgenstern Chemical Co. v. Schering Corp., 181 F. 2d 160, examined the question with much learning and dismissed the appeal, and it has followed that decision in a later case, Hook v. Hook & Ackerman, Inc., 213 F. 2d 122; and Mr. Moore accepts their view.[1] We agree that, as Judge Hastie said in Morgenstern Chemical Co. v. Schering Corp., supra [181 F. 2d 161], our decision was made "without analysis of the problem"; owing to the fact that we mistakenly thought that the question did not demand analysis.

Section 1291 provides for appeals from final judgments of all sorts, necessarily including an appeal from a final judgment denying a permanent injunction. Section 1292 allows appeals from four different kinds of interlocutory orders, of which the first is those "granting, continuing, modifying, refusing or dissolving injunctions, or refusing to dissolve or modify injunctions." If these words be read literally, they appear to us indubitably to cover the denial of a motion for a permanent injunction, regardless of what may be the procedure or grounds of the moving party.

---

[1] Moore, Federal Practice, Vol. 6, pp. 2321, 2322.

Indeed, we do not understand that those, who deny any appeal, think otherwise; they base their interpretation upon the theory that the decision does not settle, and indeed does not even tentatively decide, anything about the merits of the claim; all it does is to hold that, upon the facts as shown, the cause must await a trial. Even were that so, it scarcely seems an adequate reason for disregarding language so unconditional as that of the section; but we do not wish to rely upon that. Under Rule 56(c), 28 U. S. C. A., to be granted a summary judgment, the moving party must show, not only that there is no "genuine issue as to any material fact," but also that he "is entitled to a judgment as a matter of law." If the decision is based upon these later words, it is obvious that a denial may finally settle a great deal, for usually a later judge will accept the law already laid down in the same action by an earlier judge. Moreover, to reach such a decision the "discretion of the chancellor" may be "invoked"; "equitable considerations" may be "weighed"; or the "conclusion" may be "reached with with respect to the equity of the claim that a restraint should be imposed." But, even when the denial is because there is a "genuine issue as to any material fact," the decision is not confined to deciding that the claim must await a trial, although that of course is one of its results. Subdivision (c) requires the judge to pass upon "the pleadings, depositions, and admissions on file, together with the affidavits"; and subdivisions (d) and (e) not only provide that the affidavits on both sides "shall be made on personal knowledge, shall set forth such facts as would be admissible in evidence, and shall show affirmatively that the affiant is competent to testify to the matters stated therein"; but also that so far as may be possible all facts shall be decided even though the motion be denied. We cannot escape the belief that the decision involves much more than that it will be better to await a trial; and this is borne out by a substantial

body of decision that the question is the same as that raised by a motion to direct a verdict in an action tried to a jury.[2] For example, in Sartor v. Arkansas Natural Gas Corp., 321 U. S. 620, 624, 64 S. Ct. 724, 727, 88 L. Ed. 967, the Supreme Court said: "But at least a summary disposition of issues of damage should be on evidence which a jury would not be at liberty to disbelieve and which would require a directed verdict for the moving party."

It is of course true that the motion is not a substitute for a trial, against the possibility of which courts—ourselves especially—have been solicitous to protest. There always remains the high hurdle over which the plaintiff must leap, who would secure such a judgment; i.e. the record, as it comes before the court, is of necessity limited to evidence that can be put into writing or contained in exhibits; and, as we have never tired of saying what is left out may be, and frequently is, the most important part. Besides at least in actions triable to a jury, the handicap is greater even than this; for the court must refuse to decide any issues whose answer admits of reasonable doubt. Therefore, to say, even though the denial has been because there was a "genuine issue of fact," that nothing is decided, and that nothing can be settled, appears to us an untenable generalization. That everything is not decided is certainly no objection, else denials of preliminary injunctions would also be excluded, and § 1292(1) would be altogether nullified.

Finally, although a preliminary injunction gives the plaintiff relief until the trial, it insures him of nothing more, and he cannot arrange his affairs upon the basis of any protection after the trial. That uncertainty, which may last over a year, may be nearly as serious as the absence of any

---

[2] Fishman v. Teter, 7 Cir., 133 F. 2d 222, 223; Madeirense Do Brasil S/A v. Stulman-Emrick Lumber Co., 2 Cir., 147 F. 2d 399, 405; Dewey v. Clark, 86 U. S. App. D. C. 137, 180 F. 2d 766, 772; Hurd v. Sheffield Steel Corp., 8 Cir., 181 F. 2d 269, 271.

protection at all. It appears to us therefore that the considerations that presumably moved Congress in 1895 [3] to grant appeals from the interlocutory denials of preliminary injunctions—i.e. because it was unfair to leave suitors unprotected pending trial—should be deemed to apply to denials of permanent injunctions. The original omission of any mention of these is readily accounted for by the fact that it was not until 1938, when the New Rules went into effect, that it was possible to move for summary judgment in a Federal Court. Although we are impressed by the high authority of those who take the opposite view, we are not persuaded that we should change our original ruling; and the motion will be denied.

Motion denied.

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[3] 28 St. at L. 666.

SUPREME COURT, U. S.

Office-Supreme Court, U.S.
FILED
AUG 22 1966
JOHN F. DAVIS, CLERK

IN THE

Supreme Court of the United States

October Term, 1966

No. 42

SWITZERLAND CHEESE ASSOCIATION, INC.,
SCHWEIZERISCHE KAESEUNION A.G.,
Petitioners,

against

E. HORNE'S MARKET, INC.,
Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES
COURT OF APPEALS FOR THE FIRST CIRCUIT

BRIEF FOR THE PETITIONERS

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IN THE

Supreme Court of the United States

October Term, 1965

No. 831

SWITZERLAND CHEESE ASSOCIATION, INC.,
SCHWEIZERISCHE KAESEUNION A.G.,

Petitioners,

against

E. HORNE'S MARKET, INC.,

Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIRST CIRCUIT

BRIEF FOR THE PETITIONERS

Opinions Below

The District Court denied petitioners' motion without opinion. The opinion of the Court of Appeals (R. 54-56) is reported at 351 F. 2d 552.

Jurisdiction

The order of the Court of Appeals was entered on October 19, 1965 (R. 56). The petition for a writ of certiorari was filed on December 17, 1965, and was granted on January 31, 1966 (R. 57). The jurisdiction of this Court rests on 28 U. S. C. § 1254 (1).

Statute Involved

Section 1292 (a) (1) of the Judicial Code, the Act of June 25, 1948, c. 646, § 1, 62 Stat. 869, 28 U. S. C. § 1292 (a) (1) provides:

> § 1292. *Interlocutory decisions.*
>
> (a) The courts of appeals shall have jurisdiction of appeals from:
>
> (1) Interlocutory orders of the district courts of the United States, the United States District Court for the District of the Canal Zone, the District Court of Guam, and the District Court of the Virgin Islands, or of the judges thereof, granting, continuing, modifying, refusing or dissolving injunctions, or refusing to dissolve or modify injunctions, except where a direct review may be had in the Supreme Court.

Questions Presented

Petitioners are the exclusive representatives of the cheese manufacturers of Switzerland. They allege that respondent's use of the trade designation "Imported Swiss Cheese" on non-Switzerland cheese, without indicating the country of origin of the cheese, is deceptive and an unfair trade practice as a matter of law. Petitioners' motion for summary judgment granting a permanent injunction was denied by the United States District Court for the District of Massachusetts and petitioners' appeal was dismissed by the Court of Appeals for the First Circuit for want of jurisdiction.

The questions presented are:

1. Whether Section 1292(a)(1) of the Judicial Code authorizes an appeal to the appropriate court of appeals from an order by a district court denying a motion for summary judgment granting a permanent injunction; and

2. Whether the Court of Appeals for the First Circuit erred in dismissing the appeal from the order refusing a permanent injunction for want of jurisdiction, where Section 1292(a)(1) of the Judicial Code expressly states that "the courts of appeals shall have jurisdiction of appeals from (1) interlocutory orders of the district courts of the United States . . . refusing . . . injunctions" and the order of the District Court has a final and irreparable effect on the rights of the parties.

Statement

E. Horne's Market, Inc., the respondent and hereinafter referred to as Horne, operates a meat and cheese stall at Faneuil Hall Market in Boston. Horne has displayed and sold Swiss-type cheese produced in Finland and Austria as "Imported Swiss Cheese" without indicating the country of origin of the cheese (R. 20-21).

Petitioners, the exclusive representatives of all the cheese producers and cheese exporters of Switzerland (R. 25-27, 29-30), contend that

(a) the trade designation "Imported Swiss Cheese" inherently and primarily means cheese imported from Switzerland (R. 27-28, 30-32);

(b) the use of this designation to identify non-Switzerland cheese is deceptive and an unfair trade practice as a matter of law, unless the country of origin of the cheese is also identified (R. 8-10) and

(c) Horne's conduct is therefore violative of the provisions of the International Convention [1] and the Lanham Act of July 5, 1946 [2] (R. 29-30, 45-48).

---

[1] Convention for the Protection of Industrial Property (Convention of Paris for the Protection of Industrial Property of March 20, 1883, revised at Lisbon on October 31, 1958) 13 U.S.T. 1; TIAS 4931.

[2] c. 540, 60 Stat. 427, 15 U.S.C. 1051.

The action was originally commenced on November 19, 1963, in the United States District Court for the District of Massachusetts for trademark infringement and unfair competition (R. 1-3).

After issue was joined, petitioners took the deposition of Horne's treasurer and business manager Melvin Green (R. 21) and served upon Horne a Request for Admission of Facts pursuant to Rule 36 of the Federal Rules of Civil Procedure (R. 20). As a result thereof, Horne admitted that

(a) it has been selling Swiss-type cheese made in Finland and/or Austria under the designation "Imported Swiss Cheese" without specifying the country of origin of such cheese (R. 20-21, 23-24);

(b) it has sold such cheese at a lesser price than the price commanded by Switzerland Swiss cheese (R. 24); and

(c) it knew that its cheese was imported from countries other than Switzerland (R. 20, 23).

Petitioners thereupon brought a motion for summary judgment granting a permanent injunction enjoining Horne from selling and offering for sale as "Imported Swiss Cheese" any Swiss-type cheese other than Swiss cheese made in Switzerland and selected and approved by petitioners for export to the United States, unless the name of the country from which the cheese has been imported is used in words or letters of equal prominence therewith (R. 24-25).

The motion was brought on the premise that no material facts were in dispute, that there was no genuine issue which had to be tried and that the petitioners were entitled to a permanent injunction as a matter of law.

In support of their motion, petitioners relied on the International Convention and the Lanham Act of July 5,

1946. The pertinent sections of the International Convention and the Lanham Act are reproduced in Appendix A.

Horne opposed the motion without contesting the applicability of the Treaty or the Lanham Act. The motion was denied by the District Court without opinion (R. 48).

Petitioners thereupon appealed to the Court of Appeals for the First Circuit (R. 49). The jurisdiction of the Court of Appeals was invoked under 28 U. S. C. § 1292(a)(1).

When petitioners' counsel answered the calendar call on October 4, 1965, Chief Judge Aldrich of the First Circuit stated that the appeal was dismissed for want of jurisdiction and that no oral argument would be heard. The subsequent opinion of the Court below is reproduced on pages 54-56 of the record.

Summary of Argument

This petition involves the interpretation of Section 1292(a)(1) of the Judicial Code which permits appeals from interlocutory orders refusing injunctions. Appealability here turns on whether the District Court's refusal to grant a permanent injunction, prayed for in a motion for summary judgment, is a refusal of an injunction under the statute.

I

The legislative purpose of Section 1292(a)(1) is to create an exception to the requirement of finality for appealability in respect to interlocutory orders pertaining to injunctions. That Congress intended to permit litigants to challenge interlocutory orders refusing injunctions is borne out by the history of the statute which originally permitted appeals for orders "granting or continuing injunctions" only, but which later on was amended to include refusals of injunctions.

II

The plain meaning of the statute is the best guidepost for its interpretation. The wording of the statute is clear, unconditional and in conformity with the Congressional intent as evidenced by the history of the statute. Interpretations that attempt to exclude appeals from orders refusing permanent injunctions ignore the undisputed meaning and the expressed purpose of the statute in favor of personal predilections.

III

The Second Circuit has repeatedly and exhaustively dealt with the applicability of the statute and has convincingly demonstrated that both meaning and purpose of the statute speak in favor of appealability. *Federal Glass Company* v. *Loshin, et al.*, 217 F. 2d 936 and *United States* v. *New York N. H. & H. R.R. Co., et al.* (*Glenmore, et al.*, v. *Ahern, et al.*) 276 F. 2d 525, 554.

IV

Since it is well settled that orders refusing preliminary injunctions are appealable under the statute and since the statute itself does not distinguish between temporary and permanent injunctions, such a distinction is unwarranted, artificial and sheer ritualism. It would permit a party, upon refusal of a permanent injunction asked for in a motion for summary judgment, to turn around and present the same papers for the purpose of obtaining a preliminary injunction. *Federal Glass Company* v. *Loshin, et al.*, 217 F. 2d 936, 938. Statutes are not enacted to permit such procedural exercise.

V

The District Court conceded that the substantive issue in controversy is a legal one involving interpretation of the International Convention and the Lanham Act. The District Court thus stated "(t)hat is a matter of law"

(R. 47-48). The Court below therefore erred in holding that the injunction was denied because of an existing issue of fact.

VI

The order refusing the injunction has a far-reaching, final and irreparable effect on petitioners' rights, because it prevents petitioners from obtaining a permanent injunction, by way of a motion for summary judgment, against different defendants whose conduct may differ as to the facts while committing the same wrong. This is so because the request for the injunction was grounded on the International Convention and the Lanham Act which prohibit the kind of unfair trade practice which Horne commits. The refusal of the injunction, without opinion, is a clear indication that the District Court found petitioners' reliance on the Treaty and the Lanham Act insufficient to warrant the injunction. The adjudication by the District Court is thus final in respect to petitioners' contention that they are entitled to a permanent injunction against the specified wrong as a matter of law.

Whether or not it is deceptive to designate non-Switzerland cheese as "Imported Swiss Cheese" without indicating the country of origin of the cheese, is a legal and not a factual question which must be determined in the light of the Treaty and statutory provisions governing trade names and unfair competition. A trial could not aid the District Court in resolving the controversy and the refusal of the permanent injunction therefore results in irreparable harm to the petitioners.

ARGUMENT

I

The legislative purpose of Section 1292(a)(1) of the Judicial Code is to provide an exception to the requirement of finality for appealability.

Section 1292(a)(1) of the Judicial Code is the notable and recognized exception to the general Congressional policy against piecemeal appeals. This Court thus stated, in *Baltimore Contractors, Inc.* v. *Bodinger*, 348 U. S. 176, 180:

> "The question here presented involves the interpretation of 28 U. S. C. § 1292(1) *which makes an exception to the requirement of finality, permitting appeals from 'interlocutory orders* . . . granting, continuing, modifying, *refusing* or dissolving *injunctions*, or refusing to dissolve or modify injunctions, except where a direct review may be had in the Supreme Court.'" (Emphasis supplied)

The provision for interlocutory appeals was first introduced in 1891, when the circuit courts of appeals were established as intermediate appellate courts, 26 Stat. 826. Section 7 of that Act, the Evarts Act, thus allowed appeals from interlocutory orders in equity "granting or continuing injunctions." Appeals from orders refusing injunctions were, however, not permitted.

> "No discussion of the underlying reasons for modifying the rule of finality appears in the legislative history, although the changes seem plainly to spring from a developing need to permit litigants to effectually challenge interlocutory orders of serious, perhaps irreparable, consequence." *Baltimore Contractors* v. *Bodinger*, 348 U. S. 176, 181.

It was evidently felt that the "developing need to permit litigants to effectually challenge interlocutory orders of

serious, perhaps irreparable, consequence" also should apply to orders refusing injunctions. Congress thus broadened in 1895, 28 Stat. 666, the scope of the original statute to permit appeals from orders refusing injunctions. The statute as enacted in 1895 is reproduced in Appendix B.

After limiting the section to the grant or continuing of an injunction in 1900, 31 Stat. 660, Congress restored its former breadth in Section 129 of the Judicial Code of 1911, 36 Stat. 1134. The need for still further expansion of appeals from interlocutory orders was demonstrated by the enactment of § 1292(b) in 1958, 72 Stat. 1770.

The development of the statute, as briefly traced, clearly demonstrates that it was the Congressional intent to enable litigants to challenge interlocutory orders affecting injunctive relief and thus to lift out and segregate such orders from the general requirements of finality for appealability.

Although the legislative history is silent as to the reason for broadening the original scope of Section 7 of the Evarts Act, to include appeals from interlocutory orders "refusing" injunctions, a plausible suggestion in this respect has been put forward by Frankfurter and Landis in *The Business of the Supreme Court*. The authors thus submit on pages 108 and 109 that "the lack of all review over the action of a single judge in denying interlocutory injunctions" "had not been adequately considered" in the Evarts Act of 1891:

It should be noted that the statute does not distinguish between preliminary, interlocutory and permanent injunctions. But, as pointed out by Circuit Judge Frank in *Federal Glass Company* v. *Loshin*, 217 F. 2d 936 (C. A. 2) at page 938, a rule differentiating as to appealability between temporary and final injunctions would be "sheer ritualism".

The language of Section 1292(a)(1), which has been on the books for more than seventy years, is plain, simple and unconditional. It permits appeals from all interlocutory

orders refusing injunctions. Bearing in mind the legislative intent to relax the rule of finality for appealability in respect to orders pertaining to injunctions, there is no good reason which would justify the spurning of the literality of the statute.

As stated by Circuit Judge Friendly of the Second Circuit in *United States* v. *New York, N. H. & H. R.R. Co., et al.* (*Glenmore, et al.*, v. *Ahern, et al.*), 276 F. 2d 525, 555:

> "Three elements are required for appealability under § 1292(a)(1) here applied: (1) The order must be 'interlocutory'; (2) it must 'refuse'; and (3) what is refused must be an 'injunction'."

All three elements are present in petitioners' case and the order is therefore appealable under the statute.

II

The dismissal of petitioners' appeal by the First Circuit "because of the general policy against piecemeal appeals" ignores the language and purpose of § 1292(a)(1) in favor of personal predilections on appealability.

In dismissing petitioners' appeal for want of jurisdiction, the Court below stated:

> "Because of the general policy against piecemeal appeals, statutes permitting interlocutory appeals are to be construed with some strictness. On this basis, whatever may be the exact letter, the spirit of § 1292(a)(1) is against plaintiffs' position."

As has been shown, the very purpose of Section 1292(a)(1) is to create an exception to the rule against piecemeal appeals. In strictly interpreting the exception, as suggested by the Court below, there is no better guide-

post than the plain meaning of the statute which is written in straightforward language.

As this Court stated in *United States* v. *American Trucking Associations*, 310 U. S. 534, 543:

> "There is, of course, no more persuasive evidence of the purpose of a statute than the words by which the legislature undertook to give expression to its wishes. Often these words are sufficient in and of themselves to determine the purpose of the legislation. In such cases we have followed their plain meaning*."

The Court below has conceded that petitioners are within "the exact letter" of the statute, but the Court contends that "the spirit of § 1292(a)(1)" is against them. This can mean only one thing, namely, that petitioners appeal is within the statute, if read literally, but literal reading of the statute is taboo in the light of the general policy against piecemeal appeals. The Court below thus spurns the "exact letter" of the statute in favor of a doctrine for which the statute is the expressed exception. It is suggested that this is an unpersuasive reason for ignoring the plain wording of the statute.

Nor is the position of the Court of Appeals ameliorated by reliance on the decisions of the Third Circuit (*Morgenstern Chemical Co.* v. *Schering Corp.*, 181 F. 2d 160 and *Hook* v. *Hook & Ackerman, Inc.*, 213 F. 2d 122), or on the dissent in *United States* v. *New York, N. H. & H. R.R.*, 276

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* citing
Taft v. *Commissioner*, 304 U. S. 351, 359;
Helvering v. *City Bank Co.*, 296 U. S. 85, 89;
Wilbur v. *United States*, 284 U. S. 231, 237;
Crooks v. *Harrelson*, 282 U. S. 55, 60;
United States v. *Missouri Pacific R. Co.*, 278 U. S. 269, 278;
Van Camp & Sons v. *American Can Co.*, 278 U. S. 245, 253;
Caminetti v. *United States*, 242 U. S. 470, 490;
Pennsylvania R. Co. v. *International Coal Co.*, 230 U. S. 184, 199.

F. 2d 525 (C. A. 2), since they are also essentially based on the "antipiecemeal appeal" approach without giving sufficient consideration to the purpose and language of the statute or its historic background.

III

The well-reasoned holdings of the Second Circuit highlight the legislative purpose of Section 1292 (a) (1) of the Judicial Code.

In 1948, for the first time, the Court of Appeals for the Second Circuit, in *Raylite Electric Corp.* v. *Noma Electric Corp.*, 170 F. 2d 914, held unanimously that the denial of a motion for summary judgment in a suit for an injunction was an order refusing an injunction and thus appealable pursuant to Section 1292(a)(1).

It should be appreciated that summary judgment procedure was first authorized for the federal district courts by Rule 56 of the Rules of Civil Procedure, promulgated by this Court effective September 16, 1938. Under the previous equity rules, there was no such thing as a summary judgment. *Dempsy* v. *Pink*, 92 F. 2d 572 (C. A. 2, 1937); certiorari denied, 303 U. S. 648.

In the light of the straightforward and simple language of Section 1292(a)(1), the Second Circuit seemingly did not think that the section presented any problem in respect to its applicability and thus did not merit any analysis, because no discussion in this respect is found in the *Raylite* opinion. After the *Raylite* decision was challenged by the Third Circuit in *Morgenstern Chemical Co.* v. *Schering Corp.*, 181 F. 2d 160, Circuit Judge Learned Hand stated thus for the Second Circuit in the subsequent *Federal Glass Company* v. *Loshin, et al.* opinion, 217 F. 2d 936:

> "We agree that, as Judge Hastie said in *Morgenstern Chemical Co.* v. *Schering Corp., supra*, our

decision (referring to *Raylite*) was made 'without analysis of the problem' owing to the fact that we mistakenly thought that the question did not demand analysis.''

The opinion by Circuit Judge Learned Hand in the *Federal Glass* case amply remedies the original omission and in persuasive and logical manner makes short shrift of those, who by superimposing their own preference, run counter to the plain meaning of the statute. Petitioners' position can be expressed no better than in Circuit Judge Learned Hand's words as appearing in the *Federal Glass* case:

> ''Section 1291 provides for appeals from final judgments of all sorts, necessarily including an appeal from a final judgment denying a permanent injunction. Section 1292 allows appeals from four different kinds of interlocutory orders of which the first is those 'granting, continuing, modifying, refusing or dissolving injunctions, or refusing to dissolve or modify injunctions.' If these words be read literally, they appear to us indubitably to cover the denial of a motion for a permanent injunction, regardless of what may be the procedure or grounds of the moving party. Indeed, we do not understand that those, who deny any appeal, think otherwise, they base their interpretation upon the theory that the decision does not settle, and indeed does not even tentatively decide, anything about the merits of the claim; all it does is to hold that, upon the facts as shown, the cause must await a trial. Even were that so, it scarcely seems an adequate reason for disregarding language so unconditional as that of the section; . . .''
>
> • • •
>
> ''It appears to us therefore that the considerations that presumably moved Congress in 1895 to grant appeals from interlocutory denials of preliminary injunctions—i.e. because it was unfair to leave suitors unprotected pending trial—should be deemed to apply to denials of permanent injunctions.''

Since the *Federal Glass* case, the Second Circuit, over the dissent of Circuit Judge Clark, has been championing the cause for appealability under Section 1292(a)(1) of interlocutory orders refusing injunctions. In so doing, it has been supported by the Fifth Circuit. *International Forwarding Co.* v. *Brewer*, 181 F. 2d 49.

In 1960, the same issue was considered by a different panel of judges of the Second Circuit in *United States* v. *New York, N.H. & H. R.R. Co. et al.* (*Glenmore et al.* v. *Ahern et al.*), 276 F. 2d 525, with the same result. Circuit Judge Friendly, in replying to an unprecedented dissent of Circuit Judge Clark, who did not participate in the case, thus stated at page 556:

> "Orders refusing injunctions are important orders—important not only to the litigants but often, as here, to the public. The need for prompt review arises from the very nature of an injunction, a remedy whose grant or refusal may result in an injury beyond possibility of repair. Congress recognized this when it subjected to review not only interlocutory orders 'granting' or 'refusing' injunctions but orders 'continuing' or 'modifying' them."

And after reviewing the history of the statute he concluded:

> "It is not for us to put personal predilections on appealability above the Congressional will."

The Court below has not advanced any legally sound reason for ignoring the Congressional will. Any personal predilections would appear to be patently insufficient ground for depriving petitioners of a review of the merits of their cause, contrary to the express provisions of the statute.

IV

Since it is well settled that interlocutory orders refusing *preliminary* injunctions are appealable under Section 1292(a)(1), it would be sheer ritualism to deny appeals from refusals of *permanent* injunctions.

It is, of course, well settled that interlocutory orders refusing preliminary injunctions are appealable under Section 1292(a)(1). *Enelow* v. *New York Life Insurance Co.*, 293 U. S. 379.

Since the statute does not distinguish between preliminary and permanent injunctions, no valid reason exists why such distinction should be made.

In *Morgenstern Chemical* v. *Schering Corp.*, 181 F. 2d 160 in which, as will be recalled, the Third Circuit originally challenged the soundness of the position of the Second Circuit, the Court stated:

> "The motion for summary judgment is not an application for a preliminary injunction. Nothing has occurred in or as a result of the denial of the motion which precludes plaintiff from seeking a temporary injunction in accordance with established procedure if he believes immediate injunctive relief is necessary and proper."

This statement is more ingenious than persuasive and demonstrates the weakness of the position of those who have no quarrel with appeals from interlocutory orders denying preliminary injunctions but who invoke the doctrine of "antipiecemeal appeal" when orders denying permanent injunctions are concerned. Circuit Judge Frank, in a concurring opinion in the *Federal Glass* case, *supra*, at page 938, expressed his disagreement with the *Morgenstern* thesis as follows:

> "1. Plaintiff's complaint prayed both a preliminary and a final injunction. Its motion sought the

relief which it asked in its complaint. When a plaintiff, without seeking summary judgment, makes a motion for preliminary injunction, if the judge refuses to grant it, because he considers insufficient affidavits offered by plaintiff, an appeal of course lies under 28 U. S. C. § 1292. I think there should be no different conclusion merely because plaintiff seeks the preliminary injunction by means of a paper which plaintiff calls a motion for summary judgment.

A contrary conclusion, by sheer ritualism, would waste time. For plaintiff, the next minute after the denial of the summary judgment motion, could present the same papers unchanged except for a new label. 'Motion for a preliminary injunction.' For that reason, I disagree with Morgenstern Chemical Co. v. Schering Corp., 3 Cir., 181 F. 2d 160, where the court said at page 162: 'Nothing has occurred in or as a result of the denial of the motion [for summary judgment] which precludes plaintiff from seeking a temporary injunction in accordance with established procedure if he believes immediate injunctive relief is necessary and proper'."

V

The Court below erred in stating that an issue of fact caused the refusal of the injunction, since the District Court conceded that the issue in controversy involves a matter of law.

The Court below stated (R. 55):

> "It is equally clear that the District Court did not finally deny a permanent injunction, but merely held that in the present posture of the case there is an *issue of fact* making a summary judgment inappropriate." (Emphasis supplied.)

This statement is not borne out by the record and demonstrates misinterpretation of petitioners' motion. Peti-

tioners grounded their claim to a permanent injunction on the International Convention and the Laham Act (see Appendix A).

During the oral argument, the District Court expressly conceded that the reliance on the Treaty and the Lanham Act raised a matter of law. This is demonstrated by the following excerpt (R. 47-48):

> "Mr. Toren (for petitioners): Now the second point was the International Convention and the Lanham Act. It hasn't even been mentioned in Mr. Cole's (for respondent) brief. Now that means he has not attacked it.
>
> The Court: Apparently he takes the position that it is not conclusive. That is the position he takes from what he said.
>
> Mr. Toren: But that is not a matter of genuine issue of fact if he simply says—
>
> The Court: That is a matter of law.
>
> Mr. Toren: That is a matter of law.
>
> The Court: If what you claim is so."

Since the District Court had acknowledged the legal issue involved and denied the motion without opinion (R. 48), petitioners must necessarily assume that their claim grounded on the Treaty and the Lanham Act has been decided against them and that the District Court found that petitioners are not entitled to the permanent injunction as a matter of law. It was consequently error on the part of the Court of Appeals to conclude that the District Court denied the motion because of an existing issue of fact.

It is submitted that the reliance of the Court below on *Morgenstern Chemical Co.* v. *Schering Corp.*, 181 F. 2d 160 (C. A. 3) is the result of the Court's misconception of the reasons for the District Court's refusal of the injunction. In *Morgenstern*, the District Court had dismissed the motion for summary judgment "because of the presence of genuine issues of fact" as expressly noted in the *Morgen-*

stern opinion on page 161. *Morgenstern* is therefore not apposite.

VI

The order refusing the permanent injunction has the kind of final and irreparable effect that justifies immediate review.

According to Rule 56(c) of the Federal Rules of Civil Procedure, a motion for summary judgment can only be granted if the papers before the court "show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment *as a matter of law.*" (Emphasis supplied)

If the motion is denied for legal insufficiency it must necessarily follow that the moving party is not entitled to the judgment as a matter of law. Where the judgment sought is an injunction, such denial is, of course, a far-reaching adjudication which more often than not is of final nature, because whether or not the injunction is justified as a matter of law or must await the evidence adduced at trial may have a final and irreparable effect on the rights of the parties. As a general proposition it may therefore be reasonably stated that an interlocutory order denying, for legal insufficiency, a motion for summary judgment granting a permanent injunction, may well have the degree of finality justifying an immediate appeal. This is one of the reasons for appealability as advanced by the Second Circuit in *Federal Glass Company* v. *Loshin, et al.*, 217 F. 2d 936 in which Circuit Judge Learned Hand stated for the Court:

> "Under Rule 56(c), 28 U. S. C. A., to be granted a summary judgment, the moving party must show, not only that there is no 'genuine issue as to any material fact,' but also that he 'is entitled to a judgment as a matter of law.' If the decision is based

upon these later words, it is obvious that a denial may finally settle a great deal, for usually a later judge will accept the law already laid down in the same action by an earlier judge. Moreover, to reach such a decision the 'discretion of the chancellor' may be 'invoked'; 'equitable considerations' may be 'weighed'; or the 'conclusion' may be 'reached with respect to the equity of the claim that a restraint should be imposed'. But, even when the denial is because there is a 'genuine issue as to any material fact', the decision is not confined to deciding that the claim must await a trial, although that of course is one of its results. Subdivision (c) requires the judge to pass upon 'the pleadings, depositions, and admissions on file, together with the affidavits'; and subdivisions (d) and (e) not only provide that the affidavits on both sides 'shall be made on personal knowledge, shall set forth such facts as would be admissible in evidence, and shall show affirmatively that the affiant is competent to testify to the matters stated therein'; but also that so far as may be possible all facts shall be decided even though the motion be denied. We cannot escape the belief that the decision involves much more than that it will be better to await a trial; and this is borne out by a substantial body of decision that the question is the same as that raised by a motion to direct a verdict in an action tried to a jury (citing cases). For example, in Sartor v. Arkansas Natural Gas Corp., 321 U. S. 620, 624, 64 S. Ct. 724, 727, 88 L. Ed. 967, the Supreme Court said: 'But at least a summary disposition of issues of damage should be on evidence which a jury would not be at liberty to disbelieve and which would require a directed verdict for the moving party'."

In the present case the substantive issue of controversy between petitioners and Horne is one of law and not of fact and the refusal of the injunction is a final adjudication in respect to petitioners' right to the injunction as a matter of law.

Whether or not it is deceptive to designate non-Switzerland cheese as "Imported Swiss Cheese", without indicating the country of origin of the cheese, is a legal and not a factual question.

Horne does not deny that the designation "Imported Swiss Cheese" means Swiss cheese imported from Switzerland, but contends that the designation has also a broader meaning to the trade and includes Swiss cheese imported from any foreign country.

Let us assume, *arguendo*, that "the trade" as referred to by Horne embraces the consuming public and that Horne's contention is correct in that indeed a segment of the public does not distinguish between Switzerland Swiss cheese and Swiss cheese of other foreign manufacture, but refers to all Swiss-type cheese as "Imported Swiss Cheese". Following this train of thought to its logical conclusion, subscribers to petitioners' viewpoint, when confronted with the legend "Imported Swiss Cheese", expect that Swiss cheese imported from Switzerland is for sale, while Horne's adherents simply believe that the Swiss cheese has been imported from any country, without knowing the specific country in question. The confusion thus created is obvious. One set of customers will believe that they are purchasing petitioners' genuine Switzerland product while the other set merely know that they are buying a foreign cheese. The confusion necessarily works to petitioners' detriment: Petitioners were the first to sell Swiss cheese in the United States, have originated the designation "Imported Swiss Cheese" and supply a superior cheese which is considerably more expensive than the Swiss-type cheeses imported from other countries. Under the set of circumstances described, petitioners, of course, lose sales, as those members of the public who expect the genuine Switzerland product are likely to be deceived into buying Horne's less expensive competing product. The result of designating a non-Switzerland product as "Imported Swiss Cheese"

is therefore diversion of sales from petitioners' genuine product, a conduct which is an unfair trade practice *per se* and expressly prohibited by the International Convention and the Lanham Act (see Appendix A). The issue between the parties is therefore a matter of law.

In this context, the Court should appreciate that petitioners do not seek to enjoin the use of the designation "Imported Swiss Cheese" *per se*, but the relief asked for is confined to prohibiting the use of "Imported Swiss Cheese" on non-Switzerland cheese in the absence of the name of the country from which the cheese originates. Petitioners have no objection to Horne selling Finnish or Austrian Swiss cheese as "Imported Swiss Cheese", provided Horne indicates that the cheese is, in fact, imported from Austria or Finland. Petitioners merely want to avoid the confusion referred to, since it works to their detriment. To require Horne to indicate the name of the originating country would obviate the confusion since it would apprise the purchaser of the origin of the cheese. Indeed, even Horne's own customers should welcome such practice since they would immediately know the country from which the cheese has been imported, while presently they are in the dark in this respect.

A trial could not possibly alter the simple proposition outlined above, since any evidence which Horne and petitioners could adduce in respect to the meaning of the disputed designation would merely tend to underline the confusion which is created by Horne's marketing of non-Switzerland Swiss cheese as "Imported Swiss Cheese" without indicating the country of origin. A trial could perhaps shed some light on the percentage ratio between the adherents of the two opposing viewpoints, but it could not change the basic premise and fact that confusion is unavoidable. As long as some members of the purchasing public believe that "Imported Swiss Cheese" comes from Switzerland, Horne's conduct must result in confusion

which in turn causes injury to petitioners' business and reputation.

Since a trial could not possibly aid the District Court in resolving the controversy, petitioners seek a decision that, irrespective of the particular ancillary facts which may be involved and adduced at trial, Horne's conduct is unlawful as a matter of law under the provisions of the Treaty and the Lanham Act. Such decision evidently would be far more valuable to petitioners and have more persuasive power in other jurisdictions than a decision which is based on a particular fact pattern which may differ in respect to the conduct of another wrongdoer who, however, commits the same wrong. The refusal of the permanent injunction is consequently in effect a final adjudication of petitioners' claim to the injunction as a matter of law pursuant to the provisions of the Treaty and the Lanham Act. The denial of injunctive relief causes petitioners great and irreparable harm by effectively impeding petitioners' attempts to protect their valuable trade designation "Imported Swiss Cheese" from dilution and infringement on a nationwide scale. In essence, by denying petitioners' motion for summary judgment granting a permanent injunction, the District Court has told petitioners that their claim for injunctive relief grounded on the Treaty and the Lanham Act is unfounded. This, it is submitted, is a final appealable adjudication.

It is thus clear that the order of the District Court has a final, drastic and far-reaching effect on the rights of the parties. For this reason, the order falls "in that small class which finally determine claims of right . . . too important to be denied review . . ." as referred to by this Court in *Cohen* v. *Beneficial Industrial Loan Corp.*, 337 U. S. 541, 546.

CONCLUSION

For the reasons stated it is respectfully submitted that the order of the Court below should be reversed and that the case be remanded to the Court below for hearing on the merits of petitioners' appeal from the order of the District Court.

Respectfully submitted,

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Appendix A

CONVENTION OF PARIS
for the
Protection of Industrial Property
of 20th March, 1883

revised

at Brussels on 14th December, 1900, at Washington on 2nd June, 1911, at The Hague on 6th November, 1925, at London on 2nd June, 1934, and at Lisbon on 31st October, 1958

(13 U. S. T. 1; TIAS 4931)

Article 1

(2) The protection of industrial property is concerned with patents, utility models, industrial designs, trademarks, service marks, trade names, and indications of source or appelations of origin, and the repression of unfair competition.

Article 8

A trade name shall be protected in all the countries of the Union without the obligation of filing or registration, whether or not it forms part of a trademark.

Article 10bis

(1) The countries of the Union are bound to assure to persons entitled to the benefits of the Union effective protection against unfair competition.

(2) Any act of competition contrary to honest practices in industrial or commercial matters constitutes an act of unfair competition:

(3) The following in particular shall be prohibited:

1. all acts of such a nature as to create confusion by any means whatever with the establishment, the goods, or the industrial or commercial activities of a competitor;

2. false allegations in the course of trade of such a nature as to discredit the establishment, the goods, or the industrial or commercial activities of a competitor;

3. indications or allegations the use of which in the course of trade is liable to mislead the public as to the nature, the manufacturing process, the characteristics, the suitability for their purpose or the quantity of the goods.

Lanham Act

Sec. 43(a) (15 U. S. C. 1125a). False designations of origin and false descriptions forbidden

Any person who shall affix, apply, or annex, or use in connection with any goods or services, or any container or containers for goods, a false designation of origin, or any false description or representation, including words or other symbols tending falsely to describe or represent the same, and shall cause such goods or services to enter into commerce, and any person who shall with knowledge of the falsity of such designation of origin or description or representation cause or procure the same to be transported or used in commerce or deliver the same to any carrier to be transported or used, shall be liable to a civil action by any person doing business in the locality falsely indicated as that of origin or the region in which said locality is situated, or by any person who believes that he is or is likely to be damaged by the use of any such false description or representation.

Sec. 44(b) (15 U. S. C. 1126b). Nationals of foreign countries which have treaties with the United States—Applicability of Act to

Any person whose country of origin is a party to any convention or treaty relating to trademarks, trade or commercial names, or the repression of unfair competition, to which the United States is also a party, or extends reciprocal rights to nationals of the United States by law, shall be entitled to the benefits of this section under the conditions expressed herein to the extent necessary to give effect to any provision of such convention, treaty or reciprocal law, in addition to the rights to which any owner of a mark is otherwise entitled by this Act (Amended by Public Law 772, 87th Cong., approved Oct. 9, 1962, 76 Stat. 769).

Sec. 44(g) (15 U. S. C. 1126g). Same—Trade names or commercial names protected

Trade names or commercial names of persons described in paragraph (b) of this section shall be protected without the obligation of filing or registration whether or not they form parts of marks.

Sec. 44(h) (15 U. S. C. 1126h). Same—Protection against unfair competition

Any person designated in paragraph (b) of this section as entitled to the benefits and subject to the provisions of this Act shall be entitled to effective protection against unfair competition, and the remedies provided herein for infringement of marks shall be available so far as they may be appropriate in repressing acts of unfair competition.

Sec. 44(i) (15 U. S. C. 1126i). Same—Citizens or residents of United States to have same rights

Citizens or residents of the United States shall have the same benefits as are granted by this section to persons described in paragraph (b) hereof.

Appendix B

28 STAT. 666 OF FEBRUARY 18, 1895.

CHAP. 96.—An Act To amend the Act entitled "An Act to establish circuit courts of appeals and to define and regulate in certain cases the jurisdiction of the courts of the United States, and for other purposes," approved March third, eighteen hundred and ninety-one.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the seventh section of the Act of Congress entitled "An Act to establish circuit courts of appeals and to define and regulate in certain cases the jurisdiction of the courts of the United States, and for other purposes," approved March third, eighteen hundred and ninety-one, be, and the same is hereby, amended to read as follows:

> "That where, upon a hearing in equity in a district court or a circuit court, an injunction shall be granted, continued, refused, or dissolved by an interlocutory order or decree or an application to dissolve an injunction shall be refused in a case in which an appeal from a final decree may be taken under the provisions of this Act to the circuit court of appeals, an appeal may be taken from such interlocutory order or decree granting, continuing, refusing, dissolving, or refusing to dissolve an injunction to the circuit court of appeals: *Provided,* That the appeal must be taken within thirty days from the entry of such order or decree and it shall take precedence in the appellate court; and the proceedings in other respects in the court below shall not be stayed unless otherwise ordered by that court during the pendency of such appeal: *And provided further,* That the court below may in its discretion require as a condition of the appeal, an additional injunction bond."

Approved, February 18, 1895.

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IN THE

Supreme Court of the United States

October Term, 1965 1966

No. [redacted] 42

SWITZERLAND CHEESE ASSOCIATION, INC.,
SCHWEIZERISCHE KAESEUNION A. G.,
Petitioners,

against

E. HORNE'S MARKET, INC.,
Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIRST CIRCUIT

BRIEF FOR THE RESPONDENT

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BATAVIA TIMES, LAW PRINTERS,
BATAVIA, N. Y.

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IN THE

Supreme Court of the United States

October Term, 1965

No. 831

SWITZERLAND CHEESE ASSOCIATION, INC.,
SCHWEIZERISCHE KAESEUNION A. G.,
Petitioners,

against

E. HORNE'S MARKET, INC.,
Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIRST CIRCUIT

BRIEF FOR THE RESPONDENT

Statement

The respondent, who has a small meat stall in Faneuil Hall, Boston, Mass., offered for sale some Swiss cheese, imported from Finland or Austria, that was designated by a small sign "Imported Swiss Cheese". That is all the case is about. It was Swiss cheese and it was imported. Petitioners originally made various unsupported charges such as trademark infringement (R. 10, parag. XXII), false designation of origin, and/or a false description or representation (R. 9, parag. XX) and sale of Swiss cheese

as imported which is not in fact the genuine cheese product but is inferior to the true Swiss cheese (R. 9, 10, parag. XXI).

Petitioners presented affidavits in support of their motion for summary judgment stating

> "That it has been the general practice of the trade to clearly designate all Swiss cheese which originates from Switzerland as being genuine or imported Swiss cheese;" (R. 30, last 3 lines).

Another of their affidavits stated:

> "A legend such as 'Genuine Swiss Cheese' or 'Imported Swiss Cheese' means Switzerland Swiss cheese to the trade and me" (R. 32, lines 6-8).

At the hearing on the motion for summary judgment there was a dispute of fact, and the court said:

> "The Court: It is already in the realm of facts isn't it?
>
> "Mr. Toren: Well, we feel it is a matter of law. We can prove all that we say. But for this we have to go to trial" (R. 47).

The petitioners now contend that the designation by respondent of its imported Swiss cheese as "Imported Swiss Cheese" without indicating the country of origin of the cheese, is deceptive and unfair as a matter of law (petitioners' brief p. 3), and that the trade designation "Imported Swiss Cheese" inherently and primarily means cheese imported from Switzerland (petitioners' brief, p. 3).

Certainly it would require testimony to even try to show that these three words in the English language "Imported Swiss Cheese" means only their Switzerland Swiss cheese. That is a question of fact, assuming they could ever obtain exclusive rights in the English language to these three words when applied to imported Swiss cheese.

Summary of Argument

The statute involved, sec. 1292 (a) (1), 28 U. S. Code, is directed to "Interlocutory orders"; but the order petitioners seek in their motion for summary judgment is a final decision on the merits, asking for a permanent injunction, damages and attorneys' fees. There would be nothing left of the case were it granted.

The difference between a preliminary injunction, which the statute provides for, and a permanent injunction is great. A preliminary injunction is granted, on what appears to be meritorious; but not on final facts established. And except in rare cases, only when the seeker files a bond that will reimburse the party enjoined should it have been wrongly granted. That is a great difference between the two injunctions and since preliminary injunctions have often been granted improvidently, as is well known, the stigma of being temporarily enjoined is not anywhere near so great as that due to a permanent injunction which is final.

The decisions of the court holding that an order denying a permanent injunction is not appealable predominate and are supported by a textbook writer who is an expert on Federal practice and recognized as such. Even the court that granted the appeal on such an order, in a later decision, lamented the fact that it had to follow the earlier decision that first granted the appeal.

In a practical sense, permitting an appeal from said order greatly delays disposal of a case, as is true in this instance. It gives the powerful litigant an opportunity to prolong and make much more expensive the defense, in fact, it may be the cause of a weak defendant having to lose a case in which he is in the right.

Since this Court has the power to finally dispose of a case on the merits, under the right circumstances, respondent points out that its use of the words "Imported Swiss cheese" is the only issue involved here, and since these three words are used truthfully it has every right to so describe its imported cheese. Petitioners are not entitled to restrict any one selling imported Swiss cheese from using these three words alone, and this Court could summarily decide so here.

ARGUMENT

The statute involved, of the Judicial Code, 28 U. S. C., sec. 1292 (a) (1) is directed to "Interlocutory orders of the district court of the United States". This motion for a summary judgment seeks a final decision of the case. If granted it would not be an "interlocutory order". The petitioners ask for a permanent injunction, awarding of damages and attorneys' fees (R. 24, 25). If the motion is allowed there is nothing further to litigate. The statute did not provide appeals from anything but interlocutory orders.

There is a substantial difference between a preliminary injunction and a permanent injunction, even though the party in each instance is enjoined from doing the same thing. The granting of a preliminary injunction practically always is accompanied by a provision that the party obtaining it shall file a bond to recompense the enjoined party should it prove to have been improvidently granted. No bond is required if a permanent injunction is granted. There is a great difference in the eyes of the public and the bar between an injunction which is temporary and may prove to have been mistakenly granted by a court and one which represents the final decision of the court. Circuit

Judge Frank failed to recognize the difference in the case of Federal Glass Company v. Loshin, *et al.*, opinion, 217 F. 2d 936.

In Moore's Manual, Federal Practice and Procedure, section 17.19 (2) page 1316, under the heading "Order Denying Summary Judgment, he states his belief that the decision in Peter Pan Fabrics, Inc., *et al.* v. Dixon Textile Corp., 280 F. 2d 802, 125 USPQ 39, was unsound, where the court held an order denying a summary judgment was appealable. Moore said:

> "because the motion for summary judgment is not an application for a preliminary injunction, the denial on the ground of a triable issue of fact means only that the case should go to trial, and it does not preclude the plaintiff from seeking a temporary injunction in accordance with established equitable principles."

Even the court in said Peter Pan case reluctantly took the position that the order denying a summary judgment was appealable.

Counsel for respondent agrees with everything in the opinion of the judges of the U. S. Court of Appeals, First Circuit (R. 54-56), and refers to that without repeating its contents.

There is a further and very practical reason against an appeal from an order denying a summary judgment and that is the lengthening of a case and the postponement of a final decision while the appeal is prosecuted. Had the appeal to the U. S. Court of Appeals, First Circuit, not been filed, this case would have been tried and disposed of long ago on the merits. Here we have a small business, having two employees, and it has to fight the case from the district court to the court of appeals on a summary judgment motion that would obtain the result petitioners seek without having to go to trial, have their witnesses cross

examined, or giving the respondent a chance to present testimony.

Permitting the appeal sought will give the rich and powerful plaintiffs increased opportunities to make litigation so expensive that the little fellow, such as this defendant, will often collapse and default because unable to meet the cost.

The Court has power to dispose of this case finally.

In the case of Patterson v. State of Alabama, 55 S. Ct. 575, 294 U. S. 600, this Court said:

> p. 607. "We have frequently held that in the exercise of our appellate jurisdiction we have power not only to correct error in the judgment under review but to make such disposition of the case as justice requires."

In Watts, Watts & Co., Limited v. Unione Austriaca Di Navigazione, 248 U. S. 9, 39 S. C. R. 1, this Court said:

> "This court, in the exercise of its appellate jurisdiction, has power not only to correct error in the judgment entered below, but to make such disposition of the case as justice may at this time require. Butler v. Eaton, 141 U. S. 240, 11 Sup. Ct. 985, 35 L. Ed. 713; Gulf, Colorado & Santa Fe Ry. Co. v. Dennis, 224 U. S. 503, 506, 32 Sup. Ct. 542, 56 L. Ed. 860."

This case presents a simple issue, namely, may a party use the English language to correctly describe his merchandise? Defendant-respondent had some Swiss cheese that was imported from a foreign country (not Switzerland) to sell. He described it by a small sign as "Imported Swiss Cheese". This was a true and correct statement. For doing this he has been sued. Yet all three words are dictionary words, including "Swiss Cheese", which is defined in The American College Dictionary, 1962 edition:

"Swiss cheese, a firm, pale-yellow or whitish cheese containing many holes, made usually from cows' milk half skimmed."

Petitioners do not claim that they have exclusive rights in the use of the word "Swiss" to designate their own cheese. Any grocery store, or restaurant, for instance, would fill an order for Swiss cheese or a Swiss cheese sandwich without any question. And most of this Swiss cheese is made in the United States. Very little comes from foreign countries; and that which does, comes mostly from Austria, Finland, Germany and Switzerland.

The U. S. Government defines "Swiss cheese" in order to pass upon imports of Swiss cheese. The Code of Federal Regulations, Title 21, chapter 1, reads as follows on pages 170, 171:

"sec. 19.542 Swiss cheese for manufacturing; identity: label statement of optional ingredients.

"Swiss cheese for manufacturing conforms to the definition and standard of identity prescribed for swiss cheese by sec. 19.540, except that the holes or eyes, have not developed throughout the entire cheese, and the provisions of paragraph (d) of that section do not apply; however, the labeling requirements of paragraph (e) (2) of that section do apply. (124 F. R. 6484, Aug. 12, 1959 as amended at 29 F. R. 15643, Nov. 21, 1964.)"

Sec. 19.540 referred to is headed:

p. 169. "sec. 19.540 Swiss cheese, emmentaler cheese; identify; label statement of optional ingredients."

The U. S. Government also treats the word "Swiss" as applied to cheese, as in the public domain. Why then, if the cheese is imported, cannot respondent lawfully call it "Imported Swiss cheese"?

Petitioners have endeavored, by affidavits and argument to contend that when the words "Imported Swiss cheese"

are used it means only Switzerland Swiss cheese. This is what their lawyers assert; but when one turns to an advertisement of the petitioners we find the opposite situation. In a widespread advertisement the plaintiff, The Switzerland Cheese Association, Inc., states:

> "Imported Swiss Cheese isn't good enough for you. Insist on genuine Switzerland Swiss Cheese" (R. 50, 51).

This advertisement first appeared in the New York Times October 6, 1964 issue, page 60. It also appeared in the Ladies Home Journal, October 1964 issue, opposite page 136p, which magazine was not available to respondent at the time the motion for summary judgment was argued.

This shows that petitioners' claim that the legend "Imported Swiss cheese" means that the cheese is Switzerland Swiss cheese, is unfounded.

Respondent has used the English language in a natural way to correctly state a fact. In view of that, it is unnecessary to have this case go back to the courts for further hearing or trial, hence respondent requests that the court from whence it came be instructed to dismiss the case and enter judgment for the respondent. Such an order might well include a direction that the court consider the prayer that attorneys' fees be allowed respondent.

Reply to petitioners' brief.

The position taken by petitioners in this case has varied from time to time. The complaint is lengthy but most indefinite as to stating what respondent did that is claimed to be wrongful. It pretended that Patent Office trademark registrations were involved (R. 10). They cover only designs, and when the name "Switzerland" is included in the trademark it is disclaimed (R. 12-18). Respondent has

never used "Switzerland" on or for his cheese and petitioners do not now so contend.

One can only gather by reading the motion for summary judgment and petitioners' brief that it claims that the words "Imported Swiss cheese" mean their Switzerland Swiss cheese and therefore the public is deceived (petitioners' brief pp. 20, 21, 22). But even if the court were to consider giving petitioners exclusive rights to call their product only "Imported Swiss cheese", or in the alternative to deprive the public and respondent of the use of said three words, it would be necessary to establish by overwhelming evidence that these three words mean petitioners' cheese exclusively. See Supreme Wine Co., Inc. v. American Distilling Co., 135 U. S. Patents Quarterly 481, 310 F. 2d 888. It is not merely a question of law as petitioners contend; but one of fact.

The claim that petitioners are entitled to prevail under the International Convention and the Lanham Act (petitioners' brief pp. 21, 24-26) has no relevance unless they prove that respondent's use of "Imported Swiss cheese" is unfair competition. Neither the International Convention treaty nor the Lanham Act grants any further rights than those obtainable under our unfair competition laws. If there is to be a law that whoever uses the word "Imported", in describing his merchandise, must also state the country of origin, that is for Congress to enact. It is a common practice for stores and others that sell imported merchandise to describe it merely as "Imported".

Conclusion

The decision of the U. S. Court of Appeals, First Circuit, should be affirmed.

Since the issue involves only the right of a person to use the English language in a normal and understanding way the case should be ordered dismissed on the merits with costs and attorneys' fees.

Respectfully submitted,

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IN THE

Supreme Court of the United States

October Term, 1966

No. 42

SWITZERLAND CHEESE ASSOCIATION, INC.
SCHWEIZERISCHE KAESEUNION A.G.,
Petitioners,

against

E. HORNE'S MARKET, INC.,
Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIRST CIRCUIT

PETITIONERS' REPLY BRIEF

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PETITIONERS' REPLY BRIEF

Statement

In respect to the jurisdictional issue before the Court, Horne's brief (hereinafter H.B.) presents essentially four points:

1. Horne seemingly contends that Section 1292(a)(1) of the Judicial Code is inapplicable because, in Horne's view, the order appealed from is not interlocutory (H.B. 3, 4);

2. There is a substantial difference between interlocutory and permanent injunctions (H.B. 3, 4);

3. The position of the Court below against appealability is supported by Moore's *Manual on Federal Practice and Procedure* and by respondent's counsel (H.B. 3, 5); and

4. An appeal of the nature involved delays disposal of the case and increases the expense to the defendant (H.B. 3-5).

The points presented by Horne are dealt with below, with the exception of points 2 and 3 which do not merit consideration. Petitioners do not deny that preliminary injunctions differ from permanent ones. That Horne's counsel is in agreement with the position of the Court below is not surprising and that Moore's *Manual* expresses the same view is conceded.

Although not encompassed by the questions presented and thus not before the Court, Horne also discusses the substantive merits of petitioners' claim. Horne thus contends that since "Swiss cheese" is a generic designation and its Swiss-type cheese is imported from Finland, Horne is entitled to refer to its cheese as "Imported Swiss Cheese" without indicating the country of origin. In support of its allegation that the disputed designation is within the public domain, Horne refers to an advertisement placed by petitioners in U.S. publications.

Since Horne has not confined the scope of its contentions to the jurisdictional issue before the Court, but has argued the merits of the controversy and, in so doing, has in fact urged the Court finally to dispose of the action, it is deemed necessary to discuss at least the essential points of the substance of petitioners' case.

ARGUMENT

I

The order appealed from is interlocutory and Section 1292(a)(1) of the Judicial Code is therefore applicable.

Horne's contention that the order of the District Court is not interlocutory is the result of faulty reasoning. While petitioners' motion for summary judgment granting a permanent injunction sought a final adjudication of their claim, the denial of the motion resulted, of course, in an interlocutory order since it did not dispose of the substance of the action. An interlocutory order is not turned into a final one, merely because it is entered on a motion requesting a remedy which would be final if granted. The Court below expressly referred to the order as "an interlocutory denial of a permanent injunction" (R. 55, lines 15-22). Since Horne in its brief states that "Counsel for respondent agrees with everything in the opinion of the judges of the U.S. Court of Appeals, First Circuit (R. 55-56) and refers to that without repeating its contents" (H.B. 5), Horne's extraordinary and illogical contention is contrary to its own expressed view.

II

The danger of delay and added expense in summary judgment procedure is outweighed by the possibility for prompt disposal of the litigation.

The Advisory Committee on the Federal Rules (Advisory Committee Notes, Fed. R. Civ. P. 56) has defined summary judgment in a single sentence:

> "Summary judgment procedure is a method for promptly disposing of actions in which there is no genuine issue as to any material fact".

If the summary judgment is granted by the district court, the defeated party can, of course, appeal under § 1291 of the Judicial Code, since the judgment is tantamount to a final decision. If the court of appeals reverses, the case goes back to the district court for trial. Ultimate delay and additional expense is consequently an intrinsic factor of summary judgment procedure, irrespective of whether the motion is initially granted or denied. This drawback, however, is by far outweighed by the possibility for prompt disposal of the litigation without trial. The trial of an action is the most expensive component of litigations and in view of congested court calendars, it takes normally a long time before a case is reached for trial.

As has been demonstrated in petitioners' brief, pages 19-22, there is no genuine issue as to any material fact in this case. Summary judgment procedure is therefore proper. Since the refusal of the permanent injunction in the case before the Court has a final and irreparable effect on petitioners' rights, the appeal, authorized as it is by the plain meaning of § 1292 (a)(1), is even more justified. If the appeal is sustained and the order reversed, the litigation is finally disposed of and Horne's misgivings in respect to delay and expense would be unfounded.

In essence, therefore, summary judgment practice is not a one way street. Had the District Court granted the injunction, Horne could have appealed and any complaints by petitioners in respect to delay and increased expense would have been to no avail.

III

The inherent and natural meaning of the designation "Imported Swiss Cheese" is cheese imported from Switzerland.

What meaning does the designation "Imported Swiss Cheese" convey to the ordinary person? The answer is plain and can be expressed no better than in the words of

the District Court as spoken during the hearing of the original motion, when the District Court made itself a spokesman for the ordinary cheese purchasing public:

> "Well, isn't it pretty well established that the words 'Imported Swiss Cheese' mean cheese made in Switzerland?" (R. 36) and
>
> "If I go to a restaurant and ask them for imported Swiss cheese, I expect—at least up until now I had expected—to receive cheese that was made in and imported from Switzerland." (R. 42)

The District Court's remarks are in conformity with the accepted rules of language and any reasonable and logical interpretation of the disputed designation. Considering the fact that the expression "Swiss cheese" includes the proper adjective "Swiss", the use of this adjective in conjunction with "Imported" necessarily conveys the primary meaning that the thing in question has been imported from Switzerland. This corollary is not disturbed by conceding that the term "Swiss Cheese" has acquired in the United States a somewhat generic meaning for a type of cheese. Horne itself had admitted that it specifies the country of origin in ordering its imported Swiss Cheese (R. 20, 23).

Whether one refers to the inherent meaning of the disputed designation as a *praesumptio hominis*, a different species of presumption or an inference, is merely an exercise in semantics. The simple truth remains that the average person understands the designation "Imported Swiss Cheese" to mean cheese which has been imported from Switzerland.

Horne's statement that "these three words are used truthfully" (H.B. 6) by it demonstrates that Horne employs a literal truth so as to render it deceptive in fact.

There is precedent for granting a permanent injunction enjoining the use of the trade designation "Imported Swiss

Cheese" for cheese which does not originate from Switzerland in the absence of an indication of the originating country. In *Schweizerische Kaeseunion Bern* v. *Saul Stark, Inc.*, 162 Misc. 485, 293 N. Y. S. 816, the Supreme Court of the State of New York enjoined the defendant

> "from using in connection with the words 'Swiss cheese' the word 'Imported' unless the name of the country from which the same is actually imported be also used in words or letters of equal prominence therewith."

Judge Steinbrink of the New York Supreme Court stated in his decision (at page 485 of 162 Misc.):

> "(O)ver a long period of time the words 'genuine imported Swiss cheese' have acquired a secondary meaning in the sense that they are associated in the minds of the public with a special type and quality of cheese imported from Switzerland. While the defendant, in offering for sale 'genuine imported extra fine quality Swiss cheese' expresses a literal truth, it nevertheless conveys to the public the impression that the cheese offered is imported from Switzerland. By quoting a price slightly higher than that quoted for domestic Swiss cheese and considerably lower than that for which Swiss cheese imported from Switzerland is generally sold, the defendant obviously intends to attract the public to what seems to be a good bargain. The result is not alone a diversion of purchasing power away from the Swiss cheese imported from Switzerland, but likewise an impairment of the reputation enjoyed by manufacturers of such cheese. This is the essence of unfair competition-deception practiced on the public to the detriment of those whose skill and energy have produced in their product a standard of quality found desirable by the consuming public."

It should be noted that, while the decision refers to "genuine imported Swiss cheese", the injunction also enjoined the use of "imported" in connection with the term "Swiss cheese". The decision is reproduced at R. 33.

The decision by the New York State Supreme Court has approvingly been cited in *California Apparel Creators* v. *Wieder of California,* 162 F. 2d 893, 898 (C. A. 2), certiorari denied 332 U. S. 816, from which the following statement is taken:

> "With the development of more far-flung business enterprises and the wider uses of advertising, it must now be recognized that newer forms of trade deceit may be developed where the literal language of the 'single source' rule may not adequately reflect the precedents. This seems particularly the case with reference to certain geographical names where through some combination of circumstances such a name may come to mean in the public mind not a single source, but a number, even though limited, of independent manufacturers or producers. Thus actions have been held maintainable for misrepresentation by appropriation of geographical names where products of the soil of certain localities were because of climatic or other natural advantages, superior to similar products of other localities (citing cases) or where producers of a particular region, using a peculiar patent or other special process, have produced a product of a single quality whose superiority is generally recognized." (citing cases, including *Schweizerische Kaeseunion Bern* v. *Saul Starck, Inc., supra.*)

IV

Horne's affidavits as to the meaning of "Imported Swiss Cheese" belie its own admitted conduct, since Horne specifies the country of origin when ordering foreign-made Swiss-type Cheese from its supplier.

Horne contends in its two affidavits (R. 33, 35) that the designation "Imported Swiss Cheese" means any foreign-made Swiss cheese. By contrast, Horne has admitted that in ordering foreign Swiss Cheese it specifies the country

of origin. This is clear from the transcript of Green's deposition (R. 23).

> "Q. When you ordered this cheese from this supplier, do you tell him to send you Finnish, as you just said, or Austrian Swiss Cheese, or do you tell him to send you imported Swiss Cheese? A. I either specify Finland or Austria.
>
> Q. That is, you ask him for the name of the country where that cheese supposedly originates? A. Yes, I believe I do that."

If Horne indicates the originating country of the cheese to its suppliers, why does Horne not do so in respect to the customer? The answer is obvious. Horne profits from the confusion created by deceptively selling less expensive non-Switzerland Swiss Cheese as "Imported Swiss Cheese."

Horne specifies the country of origin of the cheese to the supplier in order to get a cheaper cheese. To order "Imported Swiss Cheese" would defeat Horne's purpose because Horne would then be supplied with petitioners' more expensive Switzerland cheese which in turn would reduce Horne's profit.

V

Petitioners' advertisements are intended to educate and warn the public in respect to deceptive trade practices.

Horne contends that petitioners treat the designation "Imported Swiss Cheese" as within the public domain and supports its contention by referring to an advertisement that appeared in U.S. publications and which stated:

"Imported Swiss Cheese isn't good enough for you. Insist on genuine Switzerland Swiss cheese." (H.B. 8)

Horne's interpretation of this advertisement is an extraordinary exercise in sophistry. As a matter of fact,

the advertisement—and indeed Horne's contention—demonstrate the soundness of petitioners' position.

The advertisement in question is part of petitioners' campaign to combat unfair trade practices as adopted by Horne and a few other retailers. These retailers know that the inherent and accepted meaning of "Imported Swiss Cheese" is cheese imported from Switzerland. They also know that the general public, in asking for "Imported Swiss Cheese", expects to get the genuine product from Switzerland. Tempted by the lesser price of Swiss-type cheeses imported from other countries, such retailers attempt to hide behind the literal but deceptive truth that Swiss-type cheese imported from countries other than Switzerland is—literally—imported Swiss cheese and thus try to palm off the inferior and less expensive imported product to unsuspecting customers who ask for Imported Swiss Cheese.

The advertisement, as impliedly admitted by Horne, attempts to forestall these deceptive practices and to bar the specious protection of the literal truth, by urging petitioners' customers to ask for "genuine Switzerland Swiss". The unbiased reader of the entire advertisement will immediately get the message: Buyer beware! When you ask for "Imported Swiss Cheese" you expect to get "Switzerland Swiss," as you have the right to expect; but some retailers try to take advantage of you by palming off an inferior imported product. Thwart them. Ask for "genuine Switzerland Swiss", thereby making it more difficult for the retailer to cheat you.

The advertisement, couched in modern-day promotional phraseology, is thus predicated on the fact that "Imported Swiss" means "Switzerland Swiss" but that, in view of the unfair practices referred to, "it isn't good enough" to ask for "Imported Swiss" as the unsuspecting public may then not get what it intended to get. By referring to this advertisement, Horne in fact supports the soundness of petitioners' position.

VI

Horne's conduct is violative of the International Convention and Section 44 of the Lanham Act.

Both the United States and Switzerland are parties to the Convention for the Protection of Industrial Property of 1883, last revised at Lisbon in 1958, 13 U.S.T. 1; TIAS 4931.[1]

Article 1(2) of the Convention (P. B. 24) includes trade names and indications of source or appellations of origin within the scope of protection afforded by the Convention.

Article 8 (P. B. 24) states that trade names shall be protected in all member countries whether or not they form part of a trademark.

Article 10 bis (P. B. 24) provides that the member countries are bound to assure to nationals of countries of the Union effective protection against unfair competition. Unfair competition is defined as "any act of competition contrary to honest practice in industrial or commercial matters" and "all acts to create confusion by any means whatsoever with the establishment, the goods, or the industrial or commercial activities of a competitor." Particularly prohibited are "indications the use of which in the course of trade is liable to mislead the public as to the nature, the manufacturing process, the characteristics . . . of the goods."

Section 44 of the Lanham Act[2] is entitled "International Conventions". The initial incentive for enacting section 44 of the Lanham Act was in fact founded on the

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[1] The pertinent sections of the International Convention and the Lanham Act are reproduced in Appendix A of petitioners' brief (hereinafter P.B.).

[2] Lanham Act of July 5, 1946; c. 540, 60 Stat. 427, 15 U.S.C. 1051.

desirability of implementing by domestic legislation those provisions of the International Convention under which the United States became obligated to provide effective legal protection against many different forms of unfair practices in international trade.

Section 44(b) (P. B. 26) implicitly refers to the International Convention and states that nationals of member countries are entitled to the benefits of Section 44.

Section 44(g) (P. B. 26) is essentially identical with Article 8 of the International Convention and specifically provides for protection of trade names or commercial names without obligation of filing or registration whether or not they form parts of marks.

Section 44(h) (P. B. 26) is similar to Article 10 bis of the International Convention and states that persons embraced by Section 44 shall be entitled to effective protection against unfair competition and remedies for infringement of marks shall be available so far as they may be appropriate in repressing acts of unfair competition. Injunctive relief is thus available under Section 44.

Finally Section 44(i) (P. B. 26) states that citizens of the United States shall have the same benefits.

It is thus evident that petitioner Schweizerische Kaeseunion has the right to invoke the protection of both the International Convention and Section 44 of the Lanham Act and that Kaeseunion's extended arm in the United States, to wit, petitioner Switzerland Cheese Association, is embraced by Section 44(i).

Both the International Convention and Section 44 of the Lanham Act specifically and expressly offer protection for trade names and commercial names "without the obligation of filing or registration whether or not they form parts of marks."

"Imported Swiss Cheese" is petitioners' trade name and indication of source or appellation of origin and, consequently, appellants are entitled to the relief sought, both under the Convention and Section 44 of the Lanham Act.

Although petitioners own a number of trademarks, it is submitted that no reliance on these trademarks has to be placed because according to the Convention and Section 44, trade names, commercial names and indications of origin are entitled to protection if unfair competition is involved. "Imported Swiss Cheese" is a commercial name and indication of origin owned by petitioners and it is evident that Horne has employed petitioners' designation in order unfairly to compete with them, the sole motive being profit. Since Swiss cheese made in Switzerland is of superior quality and of a higher price than the imitative cheese made elsewhere, it is obviously to Horne's advantage to advertise and sell its imitative cheese at a lesser price as "Imported Swiss Cheese", thereby attempting to mislead the public into believing that it is purchasing petitioners' superior product at such lesser price. This is clearly an incident of unfair competition and petitioners respectfully submit that they may invoke the protection offered by the Convention and the statute against such wrongful conduct on the part of Horne.

Horne, in its opposition to the original motion, has completely ignored this aspect of the case. The District Court, although admitting that the reliance on the Convention and Section 44 is a matter of law (R. 47-48), has seemingly not placed sufficient weight thereon.

The articles of the International Convention referred to above, which correspond in essence to Section 44 of the Lanham Act, clearly indicate that one of the purposes of the treaty is to permit nationals of member countries to enforce the same rights they possess in their home country in all the other countries of the Convention. Since peti-

tioner Kaeseunion could and does prevent persons in Switzerland from using the designation "Imported Swiss Cheese", the treaty, as embodied by the Lanham Act, is clearly applicable. In this context the attention of the Court is respectfully directed to *Vanity Fair Mills* v. *T. Eaton Co.*, 234 F. 2d 633, 640 (C. A. 2) certiorari denied, 352 U. S. 871, where the treaty was discussed at some length.

> "In addition, the Convention sought to create uniformity in certain respects by obligating each member nation to assure to nationals of countries of the Union of effective protection against unfair competition. Thus a foreign national using his trademark in commerce in the United States is accorded extensive protection against infringement and other types of unfair competition by virtue of United States membership in the Convention." Cf. *Saxlehner* v. *Eisner and Mendelson Co.*, 179 U. S. 19, 36.

The provisions of the International Convention and of Section 44 of the Lanham Act have repeatedly been invoked by foreign litigants in this country in order to prevent domestic enterprises from unfairly competing and from reaping the benefit of the good will of famous trade names or designations of foreign origin. Reference is had to the decision in *Master, Wardens, etc.* v. *Cribben & Sexton Co.*, 202 F. 2d 779 (C.C.P.A.). This case involved an opposition proceeding to the registration of the mark "Sheffield" in the United States Patent Office by a U. S. company. The cutlery manufacturers in the City of Sheffield, England, had organized a governing body which had the sanction of the British government, in a similar manner as appellant Kaeseunion has been established pursuant to decree by the Swiss government. The governing body was, in fact, an agent of the British government and as such was the lawful guardian of the right to the exclusive use of the name "Sheffield" by the manufacturers of metal products in the City of Sheffield, England. The Court of Customs and

Patent Appeals ruled for the opposer and held that the American applicant was not entitled to registration of the mark "Sheffield". The Court stated that the 1883 Convention should be liberally construed and found that the Patent Office was bound under the treaty to recognize and give effect to the exclusive rights to the geographical name which had been established pursuant to English law.

Petitioners' position is also supported by the concurring opinion in *Rossman* v. *Garnier,* 211 Fed. 401, 409 (C. A. 8), where the Court stated as follows:

> "This may be said, however, that if the appellee could and did obtain French trademarks, as she swears she did in her affidavit for registration, then under article 6 of the treaty for the protection of industrial property of March 20, 1883 (25 Stat. 1376), to which both France and the United States were parties, *she would be entitled to protection in this country, whether or not we would have allowed such a mark* as an original proposition under our laws." (Italics supplied)

The issue involved in this appeal is very similar to that of the case *La Republique Francaise* v. *Schultz,* 57 Fed. 37 (C. C. S. D. N. Y.). In the case referred to the plaintiff was the Republic of France as owner of the waters which are marketed under the name "Vichy", Vichy being a district of France. The action was based on Article 8 of the International Convention of 1883 for the protection of "commercial names" in the same manner as the present petitioners invoke this section. The Court found that "Vichy" was a "commercial name" protected by Article 8 of the treaty. The Court should take due notice of the fact that Article 8 has been exactly reproduced in Section 44(g) of the Lanham Act.

Finally, petitioners should like to place reliance on the recent decision of the Second Circuit Court of Appeals in the case of *Community of Roquefort* v. *William Faehn-*

drich, Inc., 303 F. 2d 494, where the defendant, on motion for summary judgment, was enjoined from using the word "Roquefort" on sheep's milk blue-mold cheese unless the cheese originated from the municipality of Roquefort. Although this case was decided on other grounds in plaintiff's favor, the plaintiff did invoke the treaty.

VII

A descriptive trade name may be subject to exclusive control and ownership.

Horne contends that the designation "Imported Swiss Cheese" is not a trade name "but is purely descriptive" (R. 33, 35). Obviously, the meaning of "Imported Swiss Cheese" is descriptive of appellants' cheese but this fact does not render the designation incapable of being a trade name. On the contrary, the descriptiveness has significantly contributed to the fame and reputation of petitioners' trade name because Swiss products are generally known for their excellence.

As stated by Judge Johnson in *In Re Lyndale Farm*, 186 F. 2d 723, 726 (C. C. P. A.): "A trade name may be *descriptive*, generic, geographic, common in a trade sense, personal, firm or corporate" (italics supplied). Petitioners' trade name has acquired an overwhelming secondary meaning for cheese imported from Switzerland, primarily due to the descriptive nature of the trade name, the large quantities of superior cheese sold under the trade name in the United States during many decades and the exclusive control and supervision exercised by petitioners. (See *Schweizerische Kaeseunion Bern* v. *Saul Starck, Inc., supra*, where the secondary meaning of the designation is acknowledged.) Horne has not attacked petitioners' ownership and control of the designation but merely alleges a *non sequitur*, to wit, that descriptive words

cannot form a trade name. *"Roquefort"* is a descriptive trade name, but the use of this trade name on cheese not originating in the municipality of Roquefort was enjoined on a motion for summary judgment. *Community of Roquefort* v. *William Faehndrich, Inc., supra.*

VIII

To designate non-Switzerland cheese as "Imported Swiss Cheese" is a false designation of origin in the meaning of Section 43(a) of the Lanham Act.

Since the natural and obvious meaning of the designation "Imported Swiss Cheese" is cheese imported from Switzerland and since Horne has designated Finnish and/or Austrian cheese as "Imported Swiss Cheese", such designation is a false designation of origin or a false description or representation in the meaning of Section 43(a) of the Lanham Act (P. B. 25).

As the section provides that such a person

> "shall be liable to a civil action by any person doing business in the locality falsely indicated as that of origin, or by any person who believes that he is or is likely to be damaged by the use of any such false description or representation,"

both petitioners are clearly entitled to relief under this statute.

There is no requirement in the statute for a showing that the geographical designation has acquired a secondary meaning. All that need be shown is that the use of this geographical designation by the defendant is false. (See Derenberg, *Federal Unfair Competition at the End of the First Decade of the Lanham Act: Prologue or Epilogue?*, 32 N. Y. U. L. Rev. 1029, 1044, 1957.) Since Horne's use of the geographical designation is "false" as a matter of law, it should be restrained from continuing to mislead the public.

"Imported Swiss Cheese" has, of course, acquired secondary meaning for appellants' cheese as stated in *Schweizerische Kaeseunion Bern* v. *Saul Starck, Inc., supra,* but Section 43(a) does not require proof of secondary meaning.

The attention of the Court is respectfully directed to *L'Aiglon Apparel* v. *Lana Lobell, Inc.,* 214 F. 2d 649. In this case the Court of Appeals, 3rd Circuit, decided a controversy in which the plaintiff dress manufacturer sued the defendant dress retailer for the injurious use of a picture of plaintiff's $17.95 dress in advertising defendant's $6.95 dress. The Court of Appeals held that, because of such misrepresentation, some trade was caused to be directed from the plaintiff to the defendant, while other trade was lost by the plaintiff as a result of the mistaken impression which was created, namely, that plaintiff was offering a $17.95 dress which, in fact, was worth only $6.95. The action was brought under Section 43(a) of the Lanham Act and the plaintiff prevailed.

It is well settled that if a word is used in connection with goods, in a sense other than its primary meaning, it is *prima facie* being used "falsely". Thus, when a company uses the words "Glass Wax" on a product which contains no wax, a *prima facie* case under Section 43(a) is established. (*Gold Seal Co.* v. *Weeks,* 129 F. Supp. 928 (D. C. D. C.), affirmed sub nom. *S. C. Johnson & Son, Inc.* v. *Gold Seal Co.,* 230 F. 2d 832 (C. A. D. C.), certiorari denied 352 U. S. 829.

In the "Glass Wax" case the Court stated at page 940 that plaintiff:

> "need not show that any false description or representation was wilful or intentional, need not prove actual diversion of trade (palming off, so to speak) . . . It means that wrongful diversion of trade resulting from false description of one's products invades that interest which an honest competitor has in fair business dealings—an interest which the courts should and will protect."

The primary and, indeed, the sole meaning of "Imported Swiss Cheese" is cheese which has been imported from Switzerland and, consequently, the use of the designation "Imported Swiss Cheese" in connection with cheese which does not originate from Switzerland is thus *prima facie* false.

CONCLUSION

For the reasons stated it is respectfully submitted that the order of the Court below should be reversed and that the case be remanded to the Court below for hearing on the merits of petitioners' appeal from the order of the District Court.

Respectfully submitted,

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SUPREME COURT OF THE UNITED STATES

No. 42.—October Term, 1966.

Switzerland Cheese Association, Inc., et al., Petitioners, v. E. Horne's Market, Inc.	On Writ of Certiorari to the United States Court of Appeals for the First Circuit.

[November 7, 1966.]

Mr. Justice Douglas delivered the opinion of the Court.

Petitioners brought this suit for trademark infringement and unfair competition under the trademark laws. 60 Stat. 427, 15 U. S. C. § 1051 *et seq.* They sought a preliminary injunction during the pendency of the action, a permanent injunction, and damages. After issue was joined, petitioners moved for a summary judgment granting a permanent injunction and awarding damages against respondent. The District Court could not say that there was "no genuine issue as to any material fact" within the meaning of Rule 56 of the Federal Rules of Civil Procedure which governs summary judgment and accordingly denied the motion. Petitioners appealed, claiming that order to be an "interlocutory" one "refusing" an injunction within the meaning of § 1292 (a)(1) of the Judicial Code, 28 U. S. C. § 1292 (a)(1).[1]

[1] That section provides:

"(a) The courts of appeals shall have jurisdiction of appeals from:

"(1) Interlocutory orders of the district courts of the United States . . . or of the judges thereof, granting, continuing, modifying, refusing or dissolving injunctions, or refusing to dissolve or modify injunctions, except where a direct review may be had in the Supreme Court."

The Court of Appeals held that the order denying the motion for a summary judgment was not an "interlocutory" one within the meaning of § 1292 (a)(1) and dismissed the appeal for want of jurisdiction. 351 F. 2d 552. We granted certiorari because of a conflict between that decision and those from the Second Circuit. See, *e. g., Federal Glass Co.* v. *Loshin*, 217 F. 2d 936.[2]

Unlike some state procedures, federal law expresses the policy against piecemeal appeals. See *Baltimore Contractors, Inc.* v. *Bodinger*, 348 U. S. 176. Hence we approach this statute somewhat gingerly lest a floodgate be opened that brings into the exception many pretrial orders. It is earnestly argued however that, although this order denied a permanent injunction, it was nonetheless "interlocutory" within the meaning of § 1292 (a)(1) because the motion for summary judgment did service for a motion for a preliminary injunction (see *Federal Glass Co.* v. *Loshin, supra,* at 938) and that therefore "interlocutory" must also include a denial of a permanent injunction.

We take the other view not because "interlocutory" or preliminary may not at times embrace denials of permanent injunctions, but for the reason that the denial of a motion for a summary judgment because of unresolved issues of fact does not settle or even tentatively decide anything about the merits of the claim. It is strictly a pretrial order that decides only one thing—that the case should go to trial. Orders that in no way touch on the merits of the claim but only relate to pretrial procedures are not in our view "interlocutory" within the

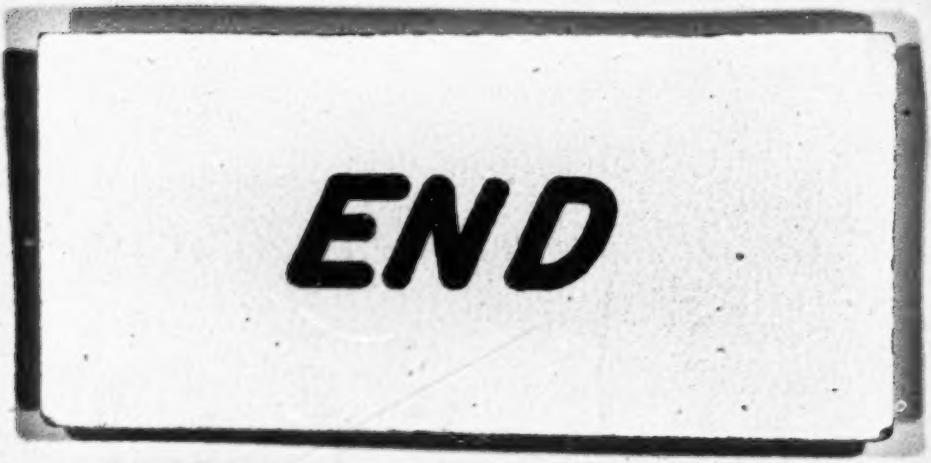
[2] Subsequent to the grant of certiorari in this case, the Second Circuit, *en banc*, reversed its position and held that such an order is not appealable. *Chappell & Co.*, v. *Frankel*, — F. 2d —.

meaning of § 1292 (a)(1). We see no other way to protect the integrity of the congressional policy against piecemeal appeals.[3]

Affirmed.

MR. JUSTICE HARLAN would affirm the judgment below on the basis of the reasoning set forth in Judge Waterman's opinion for the Second Circuit in *Chappell & Co., Inc.* v. *Frankel*, — F. 2d —.

MR. JUSTICE STEWART concurs in the result.



[3] As Judge Charles E. Clark said in dissent in *Peter Pan Fabrics, Inc.* v. *Dixon Textile Corp.*, 280 F. 2d 800:

"A district judge's orders advancing a case to trial ought not to be critically examined and re-examined by the cumbersome method of appeal before he has approached the stage of adjudication. . . . I believe this an intolerable burden for us, an improper and uncertain interference with trial court discretion, and a confusing invitation to indiscriminate appeals in the future—all contrary to settled federal law against piecemeal appeals." *Id.*, at 805, 806.